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CALENDAR

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, JANUARY 10, 1989
1:30 P.M.

Joseph D. Driscoll	President
Bonnie K. Gibson	Vice President
Peter D. Ashe	Commissioner
Paul Denning	Commissioner
Samuel W. Walker	Commissioner
Raymond L. Weisberg, M.D.	Commissioner
Nancy Walker	President, Board of Supervisors

Clare M. Murphy — General Manager
Retirement System

3 1223 05718 2116

RETIREMENT BOARD

REGULAR MEETING

MINUTES

Minutes of Regular Meeting December 13, 1988, submitted for approval.

CONSENT CALENDAR

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Board. There will be no separate discussion on these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

ITEM

1. a) VOLUNTARY SERVICE RETIREMENT LIST - 12-88
   b) VOLUNTARY SERVICE RETIREMENT LIST - 13-88
2. a) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Wayne Buford $1,173.89
   b) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Michael Duarte-Gomes $4,166.67
   c) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Paul Forslind $43.00
3. a) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   Orsa Dauchan $1,650.003.
   b) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   James H. Fadem $1,000.00
   c) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   John C. Lineham $45,600.00
   d) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   Raymond Minton $1,500.00
4. a) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
   Turhan Burton
   b) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
   Charles Crain

7 45243 SFPL: ECONO JRS
206 SFPL 11/22/00 85

c) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
Marlene C. Zamora

5. HEARING OFFICER DECISIONS:

a) Jack L. Brodnax, Jr.
PUBLIC HEALTH - 2588 Health Worker IV
ORDINARY DISABILITY — DENIED

b) Nick J. Mayo
MUNI - 9163 Transit Operator
ORDINARY DISABILITY
Effective Date: July 15, 1988 — GRANTED

c) Joseph W. Polich
FIRE DEPT. - H2 Firefighter
INDUSTRIAL DISABILITY/STIP — DENIED

d) Joseph A. Schillaci
FIRE DEPT. - 8165 Workers' Comp. Supervisor
ORDINARY DISABILITY
Effective Date: December 5, 1988 — GRANTED

e) Edward W. Schuldt
FIRE DEPT. - H2 Firefighter
INDUSTRIAL DISABILITY/STIP
Effective Date: July 8, 1988 — GRANTED

ACTION:

REGULAR CALENDAR

ITEM

1. DISMISSAL OF APPLICATION FOR DISABILITY RETIREMENT
Tina A. Hays

ACTION:

2. DISMISSAL OF APPLICATION FOR REINSTATEMENT
   Nelson A. Thomas

   ACTION:

3. DISMISSAL OF APPLICATION FOR ORDINARY DISABILITY RETIREMENT
   Richard Mueller

   ACTION:

4. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND CALLAN INVESTMENT INSTITUTE'S NINTH ANNUAL CONFERENCE ENTITLED "TAX-EXEMPT FUND MANAGEMENT:THE ELECTION AFTERMATH" TO BE HELD JANUARY 31 - FEBRUARY 2, 1989, AT THE FAIRMONT HOTEL IN SAN FRANCISCO.

   ACTION:

5. REQUEST TO AMEND THE INDUSTRIAL DISABILITY APPLICATION FOR ROBERT RASMUSSEN.

   ACTION:

6. REQUEST TO AMEND THE INDUSTRIAL DISABILITY APPLICATION FOR ANTHONY DELZOMPO

   ACTION:

7. REPORT AND REVIEW OF REVIEW CO, THE BILL PAYING SERVICE FOR THE WORKERS' COMPENSATION DIVISION.

   ACTION:

8. REPORT ON THE ELIMINATION OF THE $3500.00 DEMINIMUS CLAUSE FOR HARDSHIP WITHDRAWALS UNDER THE DEFERRED COMPENSATION PLAN.

   ACTION:

9. REQUEST FROM HEALTH SERVICE SYSTEM.

   ACTION:

10. BUDGET MODIFICATION FOR FISCAL YEAR 1989/90

    ACTION:

INVESTMENT CALENDAR

ITEM

1. CHIEF INVESTMENT OFFICER'S REPORT:
   a. Social Investment Policy

PUBLIC COMMENTS

GENERAL MANAGER'S REPORT

a. Three-month forward Retirement Board calendar
b. MBO Letter

EXECUTIVE SESSION

BOARD MEMBERS

CALENDAR

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, JANUARY 31, 1989
1:30 P.M.

Joseph D. Driscoll	President
Bonnie K. Gibson	Vice President
Peter D. Ashe	Commissioner
Paul Denning	Commissioner
Samuel W. Walker	Commissioner
Raymond L. Weisberg, M.D.	Commissioner
Harry Britt	President, Board of Supervisors

Clare M. Murphy — General Manager
Retirement System

RETIREMENT BOARD

REGULAR MEETING

MINUTES

Minutes of Regular Meeting January 10, 1989, submitted for approval.

CONSENT CALENDAR

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Board. There will be no separate discussion on these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

ITEM

1. a) VOLUNTARY SERVICE RETIREMENT LIST - 14-88

2. a) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Jack P. Cohen $50,000.00

   b) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Robert C. Cutone $10,419.40

   c) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:
   Ruth H. Smith $49,167.67

3. a) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   Samuel Gober $10,000.00

   b) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   Michael R. Murphy $12,500.00

   c) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:
   Belle Rainer $8,500.00

4. a) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
   Maria Carmody

   b) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
   Rafael C. Trujillo

5. HEARING OFFICER DECISIONS:

   a. Peter C. Buckley
   POLICE - Q2 POLICE OFFICER
   INDUSTRIAL DISABILITY/STIP DENIED

b. Virgil L. Davis
MUNI - 2708 Custodian
ORDINARY DISABILITY — DENIED

c. Pedro Fernandez
POLICE - Q2 Police Officer
INDUSTRIAL DISABILITY — DENIED

d. Robert L. King
PERS
SHERIFF'S DEPT. - 8304 Deputy Sheriff
Effective Date: Upon exhaustion of labor Code Section 4850 benefits and sick leave — GRANTED

e. Roger A. Presa
MUNI - 9163 Transit Operator
ORDINARY DISABILITY
Effective Date: August 11, 1988 — GRANTED

f. Edward J. Schach, Jr.
MUNI - 7379 Electrical Transit Mechanis
ORDINARY DISABILITY
Effective date: October 15, 1987 — GRANTED

g. William D. Sowell
POLICE - Q2 Police Officer
INDUSTRIAL DISABILITY
Effective Date: July 23, 1988 — GRANTED

h. PETITION FOR REHEARING

James A. Ryan
POLICE - Deputy Chief — GRANTED

ACTION:

REGULAR CALENDAR

ITEM

1. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND THE CALAPRS GENERAL ASSEMBLY MEETING TO BE HELD APRIL 2-3, 1989, IN SACRAMENTO.

   ACTION:

2. REQUEST FOR AUTHORIZATION FOR THE DEPUTY GENERAL MANAGER TO ATTEND THE GOVERNMENT FINANCE OFFICERS ASSOCIATION'S EIGHTY-THIRD ANNUAL CONFERENCE, TO BE HELD JUNE 4-7, 1989, in SEATTLE, WASHINGTON.

   ACTION:

3. REQUEST FROM HEALTH SERVICE SYSTEM

   ACTION:

4. SUPPLEMENTAL APPROPRIATION WORKERS' COMPENSATION 1988-89.

   ACTION:

5. RESOLUTION EXTENDING TO DEWITT F. BOWMAN, CHIEF INVESTMENT OFFICER, WARMEST COMMENDATION AND CONGRATULATIONS FROM THE RETIREMENT BOARD AND STAFF OF THE CITY AND COUNTY OF SAN FRANCISCO EMPLOYEES' RETIREMENT SYSTEM, ON THE CULMINATION OF HIS CAREER OF SERVICE TO THE RETIREMENT SYSTEM.

   ACTION:

INVESTMENT CALENDAR

ITEM

1. REVIEW OF THE STRATEGIC PLAN PRESENTED BY THE TOWNSEND GROUP, REAL ESTATE CONSULTANTS.

   ACTION:

2. DISCUSSION ON VENTURE CAPITAL PROGRAM.

   ACTION:

3. STAFF REPORT ON STATUS OF DREXEL, BURHAM, LAMBERT AS BROKERS FOR THE FUND.

   ACTION:

4. ANALYSIS AND RECOMMENDATION ON ANTICIPATED PROXY ISSUES TO ARISE IN THE MULTI PROXY-COMPANY SEASON.

   a. Classified Boards
   b. Cumulative Voting
   c. Directors' Liability (confirmation of prior action)
   d. Confidential Voting
   e. Shareholder Affirmation of takeover defenses
   f. Corporate relationships with South Africa.

   ACTION:

5. REQUEST TO EXEMPT COMPANIES FROM LEVEL III OF THE SOUTH AFRICA POLICY UNDER THE RETIREMENT BOARD'S SOCIAL INVESTMENT POLICY.

   ACTION:

6. STAFF REPORT ON THE TOTAL PORTFOLIO PERFORMANCE FOR THE YEAR ENDED DECEMBER, 1988.

7. CHIEF INVESTMENT OFFICER'S REPORT:
   a. 1989 INVESTMENT PLAN

PUBLIC COMMENTS

EXECUTIVE SESSION

GENERAL MANAGER'S REPORT

BOARD MEMBERS

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, FEBRUARY 14, 1989
1:30 P.M.

PRESENT:	Joseph D. Driscoll	President
	Bonnie K. Gibson	Vice President
	Peter D. Ashe	Commissioner
	Samuel W. Walker	Commissioner
	Raymond L. Weisberg, M.D.	Commissioner
ABSENT:	Paul Denning	Commissioner
	Harry Britt	President, Board of Supervisors

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, January 31, 1989

ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

The following items were presented under the Consent Calendar:

ITEM

1. a) VOLUNTARY SERVICE RETIREMENT LIST - 15-88

2. a) SETTLEMENT OF DISPUTED CLAIM: COMPROMISE AND RELEASE
Julian Cambridge $3,000

3. a) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:
Claude J. Gabriel

4. a) APPLICATION FOR BIRTHDATE CORRECTION
Robert G. Brown

5. HEARING OFFICER DECISIONS:
a) Kevin L. Hall
POLICE - Q2 Police Officer
DETERMINATION DENIED

ACTION: It was moved by Ashe, seconded by Gibson to adopt the Consent Calendar; Motion passed, 5-0.

GENERAL MANAGER'S REPORT

The General Manager presented a written and oral report on the Annual Statement of Economic Interests and discussed the new 730 form to the Board. The City Attorney will make a presentation to the Board at the March 14, 1989 Retirement Board calendar.

REGULAR CALENDAR

ITEM

1. REPORT RE ACTUARIAL VALUATION STUDY OF RETIREMENT SYSTEM AS OF JUNE 30, 1988.

   Kieran Murphy, Staff Actuary, and Bill Smith, Consulting Actuary of Milliman & Robertson, presented a written and oral report on the Actuarial Valuation Study of the Retirement System as of June 30, 1988. The Board reviewed and discussed the report with Mr. Smith and Mr. Murphy. The Board also engaged in a question and answer session regarding the implications of the study.

   ACTION: It was moved by Ashe, seconded by Gibson to accept the report; motion passed, 5-0.

2. REQUEST FOR ADOPTION OF CITY AND COUNTY RATES OF CONTRIBUTION FOR FISCAL YEAR 1988-89.

   Kieran Murphy, Staff Actuary, and Bill Smith, Consulting Actuary, presented a written and oral report for adoption of City and County rates of contribution for fiscal year 1989-90. The Board reviewed and discussed the report.

   ACTION: It was moved by Ashe, seconded by Walker, to adopt the report as presented and the rates as recommended by the staff and the consulting actuary; motion passed, 5-0.

3. REQUEST FOR AUTHORIZATION FOR ONE BOARD MEMBER TO ATTEND THE FIRST PIN (PENSIONS IN THE NINETIES) CONFERENCE, MARCH 29-31 IN SAN FRANCISCO.

   Clare M. Murphy, General Manager, presented a written and oral report on this item and recommended that a Board Member attend this conference.

   ACTION: It was moved by Walker, seconded by Gibson, to authorize Commissioner Ashe to attend the PIN Conference; motion passed, 5-0.

4. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND NCPERS 48TH ANNUAL CONFERENCE AND EXPOSITION "CHANGE FOR THE FUTURE" AT HYATT REGENCY, SAN FRANCISCO, APRIL 2-6 1989.

   Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

   ACTION: It was moved by Ashe, seconded by Gibson, to authorize Board and Staff to attend the conference. Motion passed, 5-0.

5. REQUEST FOR AUTHORIZATION FOR ONE BOARD MEMBER TO ATTEND THE SECOND ANNUAL NATIONAL CONFERENCE ON INVESTMENT STRATEGIES FOR PUBLIC FUNDS SPONSORED BY THE INSTITUTE FOR INTERNATIONAL RESEARCH ON MAY 4-5, 1989 AT THE VISTA INTERNATIONAL HOTEL, WASHINGTON, D.C.

   Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

   ACTION: It was moved by Dr. Weisberg, seconded by Walker, to authorize one Board Member to attend the conference. Motion passed, 5-0.

6. REVIEW AND PRIORITIZATION OF 1989-90 BUDGET ISSUES.

   Clare M. Murphy, General Manager, and Rudolph Hernandez, Deputy General Manager, presented a written and oral report on this item. The Board engaged in a question and answer session with Ms. Murphy and Mr. Hernandez.

   ACTION: It was moved by Dr. Weisberg, seconded by Gibson to approve the priority requests for the Retirement System 1989-90 Budget; Motion passed, 5-0.

7. REQUEST TO DISMISS APPLICATION FOR INDUSTRIAL DISABILITY RETIREMENT

   a) Ronald L. Jackson

   Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item.

   ACTION: It was moved by Walker, seconded by Weisberg, to approve the staff's recommendation to dismiss the application for industrial disability retirement of Ronald L. Jackson; motion passed, 5-0.

INVESTMENT CALENDAR

ITEM

1. STAFF REPORT ON PERFORMANCE OF INTERNAL AND EXTERNAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED DECEMBER 31, 1988.

   Herb Meiberger, Security Analyst, presented a written and oral report on the performance of the internal and external fixed income managers for the period ended December 31, 1988. The Board reviewed and discussed the report with staff. No action was taken; information item only.

2. STAFF REPORT ON PERFORMANCE OF THE INTERNAL AND EXTERNAL EQUITY MANAGERS FOR THE PERIOD ENDED DECEMBER 31, 1988.

   Carolyn Hamilton, Assistant Chief of Investments, presented a written and oral report on the performance of the internal and external equity managers for the period ended December 31, 1988. The Board reviewed and discussed the report with staff. No action was taken; information item only.

3. STAFF RECOMMENDATION ON ALLOCATION OF FUNDS FOR THE PERIOD ENDING JANUARY 31, 1989.

Clare M. Murphy, General Manager, Carolyn Hamilton, Assistant Chief of Investments and Mark Coleman, Security Analyst, presented staff's recommendation for the allocation of funds for the period ending April 30, 1989. The Board reviewed the recommendations and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Gibson, to adopt staff's recommendations as presented; motion passed, 5-0.

4. CHIEF INVESTMENT OFFICER'S REPORT:

Clare M. Murphy, General Manager:

a) Presented a list of companies the Investment Division staff met during the month of January 1989.

b) Reviewed Proxy voting executed by Staff for the Board.

GENERAL MANAGER'S REPORT

The General Manager reported that:

1. She and several Board Members met with the Mayor regarding instructions for the 1989-90 Budget.

2. She discussed with the Retirement Board a communication received from the Mayor's Fiscal Advisory Committee. The Committee is interested in looking at the total compensation package offered to City employees.

3. She distributed a letter she sent to Mayor Art Agnos regarding the appointments of the three Mayoral Retirement Board Appointees.

4 She recently met with Supervisor Britt regarding his attendance at Retirement Board meetings and to help educate him to the functions and activities of the Retirement Board.

SUPPLEMENTAL CALENDAR

Section 54954.2bl of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Gibson, seconded by Ashe, to hear the Supplemental Calendar; motion passed, 5-0.

ITEM

1. REQUEST FOR ONE STAFF AND BOARD MEMBERS TO ATTEND FOSTER HIGGINS-BUDGET CRUNCH CONFERENCE IN WASHINGTON, D.C. ON APRIL 27-28, 1989.

2. a) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

   Larry L. Higgins $ 4,000.00

   b) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

   Richard Petrocchi $19,000.00

3. a. SETTLEMENT OF DISPUTED CLAIM: THIRD PARTY SETTLEMENT

   Ray Augusto Galarce $ 6,944.68

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

   Marilyn L. Navas

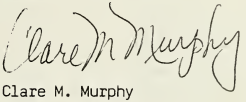
   ACTION: It was moved by Ashe, seconded by Walker to adopt items 1 to 4 of the Supplemental Calendar; motion passed, 5-0.

EXECUTIVE SESSION

The Retirement Board met in Executive Session to review a personnel issue. The Board reconvened in open session and announced no action was taken.

There being no further business,
The Board adjourned at 5:30 P.M.

Respectfully submitted,



Clare M. Murphy
General Manager

Note: A transcript was made of this meeting
by Court Reporter: Richard Adams

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, FEBRUARY 28, 1989
1:30 P.M.

PRESENT:	Joseph D. Driscoll	President
	Bonnie K. Gibson	Vice President
	Peter D. Ashe	Commissioner
	Samuel W. Walker	Commissioner
ABSENT:	Paul Denning	Commissioner
	Raymond Weisberg, M.D.	Commissioner
	Harry Britt	President, Board of Supervisors
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, February 14, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 16-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Dianna Hale $ 3,212.41

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Heidi Blanchfield $ 5,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Anne B. Daley $ 2,500.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Manuel F. Luna $ 9,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Joe Sanchez $ 2,500.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Pedro Rafael Thumas $ 9,000.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

George Mathews

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Robert W. Pedersen

5. HEARING OFFICER DECISIONS:

a. Laurence J. Schlarmann
FIRE - H2 Firefighter
INDUSTRIAL DISABILITY RETIREMENT Granted

b. Robert Schmidt
LIBRARY - 3632 Librarian II
ORDINARY DISABILITY RETIREMENT Granted

c. Fannie M. Johnson
Laguna Honda Hospital - 2302 Orderly
ORDINARY DISABILITY RETIREMENT — Granted

d. PETITION FOR REHEARING

Pedro L. Fernandez
POLICE - Q2 Police Officer
INDUSTRIAL DISABILITY RETIREMENT — Denied

ACTION: It was moved by Walker, seconded by Gibson to adopt the Consent Calendar; Motion passed, 4-0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Walker, seconded by Gibson, to hear the Supplemental Calendar; Motion passed, 4-0.

ITEM

1. a) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Steve Edmonds $ 41,373.09

b) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Anita Martin $ 5,781.29

ACTION: It was moved by Walker, seconded by Ashe to adopt items 1 (a) and (b) of the Supplemental Calendar; Motion passed, 4-0.

REGULAR CALENDAR

ITEM

1. REQUEST FOR AUTHORIZATION FOR ONE BOARD MEMBER TO ATTEND THE INSTITUTIONAL INVESTOR INSTITUTE'S ANNUAL WINTER PENSION FUND ROUNDTABLE IN LOS ANGELES ON MARCH 8-9 1989.

   Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item and recommended one Board Member attend this conference.

   ACTION: It was moved by Walker, seconded by Gibson to authorize Commissioner Denning to attend the conference; motion passed 4-0.

2. CONSIDERATION OF RETIREMENT BOARD RULE & RE: BROWN ACT SUPPLEMENTAL CALENDAR.

   Clare M. Murphy, General Manager, presented the alternative of a laminated card for introducing the Supplemental Calendar. No action was taken; information item only.

3. REQUEST FOR APPROVAL OF FUNDS FOR RELOCATION OF WORKERS' COMPENSATION DIVISION.

   Clare M. Murphy, General Manager, and Rudolph Hernandez, Deputy General Manager for Operation and Finance, presented a written and oral report on this item. The Board engaged in a question and answer session with Ms. Murphy and Mr. Hernandez.

   ACTION: It was moved by Walker, seconded by Gibson to approve the request; motion passed 4-0.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, reported:

1. The Mayor sent a letter to SF Chamber of Commerce requesting nominations for Board appointments.

2. The British Consulate inquired about the Board action on the MacBride Principles and requested a meeting.

3. The Federal Reserve Bank of New York informed SFERS that reports must be made regarding international transactions by country for the balance of payments purposes.

4. A letter was sent to Senator Quintin Kopp at the Board's request and a follow-up meeting is scheduled for 3-7-89 (copy attached).

General Manager's report (continued)

5. A City-wide Workers' Compensation costs report by department for 7-1-88 - 12-31-88 was distributed.

6. Any Conflict of Interest and Statement of Economic Interest questions should be directed to Clare M. Murphy and Dan Maguire prior to the 3-14-89 Retirement Board meeting.

INVESTMENT CALENDAR

ITEM

4. REPORT ON TOWNSEND GROUP DUE DILIGENCE PROPOSAL.

Clare M. Murphy, General Manager, and Carolyn Hamilton, Assistant Chief of Investments presented an oral report and distributed the Townsend Group proposal. The Board reviewed and discussed the proposal with staff.

ACTION: It was moved by Ashe, seconded by Walker to approve the proposed agreement provided that further information on 15% property on-site review be provided; motion passed 4-0.

1. PRESENTATION BY EXTERNAL INVESTMENT MANAGER - JMB REAL ESTATE ADVISORS.

William Ramseyer and Darla Flanagan, JMB Real Estate Advisors' representatives, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with the representatives and staff. No action was taken; information item only.

2. INVESTMENT REVIEW BY CALLAN ASSOCIATES FOR THE QUARTER ENDED DECEMBER 1988.

Mr. Barry Dennis of Callan Associates presented a quarterly report. The Board engaged in a question and answer session with the staff and Mr. Dennis. No action was taken; information item only.

3. PRESENTATIONS BY EXTERNAL INVESTMENT MANAGERS.

A. Caywood - Christian

Mr. Jim Caywood and Mr. Micky Christian presented a written and oral report to the Board on this item. The Board reviewed and discussed the report with the Staff and the representatives of Caywood-Christian. No action was taken; information item only.

B. Trust Company of the West

Mr. Steven McDonald and Mr. Howard Marks, representatives of Trust Company of the West, presented a written and oral report to the Board. The Board reviewed the report and engaged in a question and answer session with the Staff and the representatives. No action was taken; information item only.

C. Axe Houghton

Mr. Steve Darby and Mr. Bob Manning of Axe Houghton presented a written and oral report. The Board engaged in a question and answer session with the Staff and representatives of Axe Houghton. No action was taken; information item only.

D. Miller Anderson and Sherrerd

Ms. Marianne Milias and Mr. Tom Bennett of Miller Anderson and Sherrerd presented a written and oral report. The Board engaged in a question and answer session with the firm's representatives. No action was taken; information item only.

5. CHIEF INVESTMENT OFFICER'S REPORT.

A. Clare M. Murphy, General Manager, reported that Coldwell Banker has requested a limited partners meeting in the second week of April to discuss Coldwell Banker Fund IV activities prior to the ten-year control change date. Townsend and Staff will represent SFERS. No action was taken; information item only.

EXECUTIVE SESSION

The Retirement Board met in Executive Session to review a personnel issue. The Board reconvened in open session and announced no action was taken.

There being no further business,
The Board adjourned at 5:30 P.M.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting
by Court Reporter: Christine Clark

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, MARCH 14, 1989
1:30 P.M.

PRESENT:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	Paul Denning	Commissioner
	Joseph D. Driscoll	Commissioner
	Raymond Weisberg, M.D.	Commissioner

ABSENT: Harry Britt — President, Board of Supervisors

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, February 28, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

SPECIAL ORDER

ELECTION OF OFFICERS — President and Vice President

In accordance with Board Rule One, Section 1.03, the Board conducted the election of officers for the ensuing term of office.

For President: — It was moved by Weisberg, seconded by Denning, to nominate Bonnie Gibson as President; there were no other nominations; motion passed 6-0. Commissioner Gibson was elected President for the next 12-month period.

For Vice President: — It was moved by Ashe, seconded by Weisberg, to nominate Samuel Walker as Vice President; there were no other nominations; motion passed 6-0. Commissioner Walker was elected Vice President for the next 12-month period.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 17-88

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Robert Roper $ 500.00

3. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

John H. Hauff

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

Gary Harding

4. HEARING OFFICER DECISIONS:

a. James Murphy
Q2 - Police Officer
Industrial Disability Retirement — Granted

4. HEARING OFFICER DECISION (CONT'D):

b. Arnold F. Diem
H2 - Firefighter
Industrial Disability Retirement — Denied

c. Fred Kelly
9163 - Transit Operator
Ordinary Disability Retirement — Granted

d. Irwin Tuttleman
Q2 - Police Officer
Industrial Disability Retirement — Granted

ACTION: It was moved by Walker, seconded by Ashe, to adopt the Consent Calendar Items 1 - 4; motion passed, 4-0.

NOTE: Paul Denning and Dr. Weisberg arrived at this time.

REGULAR CALENDAR

ITEM

1. COST-OF-LIVING ADJUSTMENT FOR CHARTER SECTION 8.526 TO BE EFFECTIVE 7-1-89.

Kieran Murphy, Staff Actuary, presented a written and oral report to the Board on the proposed cost-of-living adjustment for those retirees covered by Charter Section 8.526 which is to recommend a 2% increase effective 7-1-89. John Simpson also addressed the Board on this item. The Board reviewed and discussed the matter with Staff and engaged in a question and answer session.

ACTION: It was moved by Ashe, seconded by Gibson to adopt the cost-of-living adjustment recommendation; motion passed 6-0.

2. CONFLICT OF INTEREST - STATEMENT OF ECONOMIC INTERESTS PRESENTATION.

Dan Maguire and David Benjamin, Deputy City Attorneys, presented a written and oral report to the Board on this item. No action was taken; information item only.

3. REQUEST FOR ADJUSTMENT OF RETIREMENT ALLOWANCE - DAVID A. DYC: (Requires Ballot Vote)

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. The Board reviewed and discussed the details with Staff.

ACTION: By a unanimous ballot vote, the Board approved the adjustment of Mr. Dyc's retirement allowance from 50% to 63%.

4. REQUEST FOR PETITION FOR REHEARING - JEREMY ZATKIN

Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on this item.

ACTION: It was moved by Weisberg, seconded by Denning, to grant staff's request for a Petition for Rehearing; motion passed 6-0.

INVESTMENT CALENDAR

ITEM

1. MULTI-COMPANY PROXY REPORT ON THE FOLLOWING ISSUES:

A. Space weapons disclosure Resolution.

B. Military Conversion.

C. Loans to Chile.

D. Political Action Committees.

E. Animal Testing.

Clare M. Murphy, General Manager, Ken Taymor, Special Assistant to the City Attorney and Mark Coleman, Security Analyst, presented a written and oral report to the Board on these issues. The Board engaged the staff in a question and answer session.

ACTION: It was moved by Denning, seconded by Walker, to authorize staff to approve multi-company proxy and be voted by staff as follows:

A. Space Weapons - Against

B. Military Conversion - Against

C. Loans to Chile - Against

D. Political Action Committee - For

ACTION: Motion passed 5-1 (Weisberg).

2. REPORT ON SPECIAL ASSET SECTOR.

Gary Hiatt, Security Analyst, and Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the report with staff and engaged in a question and answer session.

ACTION: It was moved by Driscoll, seconded by Ashe, to authorize staff to begin RFP process to find a special asset class consultant; motion passed 6-0.

Staff reported that RFP will be presented to Board at 3/28/89 meeting.

3. ACTIVITIES AND PERFORMANCE OF THE EXTERNAL INTERNATIONAL FIXED INCOME MANAGERS FOR THE QUARTER ENDED DECEMBER 31, 1988.

Mark Coleman, Security Analyst, presented a written and oral report to the Board on this item. The Board reviewed and discussed the report with Staff. No action was taken; information item only.

4. ACTIVITIES AND PERFORMANCE OF THE EXTERNAL INTERNATIONAL EQUITY MANAGERS FOR THE QUARTER ENDED DECEMBER 31, 1988.

The Board received a written report from Carolyn Hamilton, Assistant Chief of Investment, on this item.

5. CHIEF INVESTMENT OFFICER'S REPORT.

A. Proxy Votes

	For	Against
Bank of Boston Corporation - 4,200 shares		
Shareholder Proposals		
Requiring Corporation to advertise quarterly voluntary contributions of money and time contributed to charitable organizations.	0	6
Gencorp Inc. - 74,600 shares		
Shareholder Proposals		
Requiring the Company to amend Article 5 of the Code of Regulations so as to state the place of principal business.	6	0
To change the "Corporate Seal" stamp.	6	0
Hospital Corporation of America - 14,110 shares		
Shareholder Proposals		
Management is proposing a leverage buy out of the corporation.	6	0
The Travelers Corporation - 15,500 shares		
Shareholder Proposals		
The Board of Directors should insure that future outside Directors shall not serve on the Traveler's Board once they retire from their own corporation or organization.	0	6

B. Update On Core Real Estate Investment.

Clare M. Murphy, General Manager, presented an oral report to the Board on this item. No action was taken. Information item only.

EXECUTIVE SESSION

The Board went into Executive Session to discuss a matter of litigation before the Board.

The Board urged staff to do all that they can within legal limits to resolve a pending claim. Staff is to ensure applicant's confidentiality and at the same time protect the City's legal interests.

The Board reconvened in open session and announced no action was taken.

NOTE: Commissioner Weisberg left at this time.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Denning, seconded by Walker, to hear the Supplemental Calendar; motion passed 5-0.

ITEM

1. a) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Fannie M. Barnes $ 1,968.58

2. a) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Wilma Dickerson $ 7,218.00

3. a) SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Diana Hayes - Klich $ 25,000.00

4. a) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Kenneth Sheffield

5. HEARING OFFICER DECISION:

a) Bernard McKay Denied

ACTION: It was moved by Ashe, seconded by Driscoll, to adopt items 1-5 of the Supplemental Calendar; motion passed 5-0.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager, reported that Dave Farrell, San Francisco Chronicle Reporter, wrote a letter requesting access to certain material in the possession of the Retirement System. The Retirement Board agreed to release the information requested by Mr. Farrell.

There being no further business,
The Board adjourned at 6:11 P.M.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting
by Court Reporter: Richard Adams

SF
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#3
2/28/89

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, MARCH 28, 1989
1:30 P.M.

PRESENT:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	Paul Denning	Commissioner
	Joseph Driscoll	Commissioner
	Raymond Weisberg, M.D.	Commissioner
ABSENT:	Bill Maher	Supervisor
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, March 14, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

NOTE: Commissioner Paul Denning arrived at this time.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 18-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Dennis Lok $ 987.20

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Doristine Lanier $4,657.12

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Sue Thompson $3,183.68

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Ellen Hunter $ 500.00

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Rosalinda Alban $5,000

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Carolyn Cody $12,000

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Charles Farrell $ 8,000

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Thomas Mendleson $ 1,500

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Eula M. Vallot $ 5,000

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Kishin Sadarangani $2,500.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Kenneth Chambers

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Olee Wade

c. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Gilberto J. Lucas

5. HEARING OFFICER DECISIONS:

a. Robert D. Bechler
H40 - Battalion Chief, Fire Department
Industrial Disability Retirement — Granted

b. Everett L. Belcher
H20 - Lieutenant, Fire Department
Industrial Disability Retirement — Granted

c. Michael Goodin
H40 - Battalion Chief, Fire Department
Industrial Disability Retirement — Granted

d. Rodolfo Ibay
1424 - Clerk, SFGH
Ordinary Disability Retirement — Granted

e. Richard L. Mueller
2302 - Orderly, SFGH
Ordinary Disability Retirement — Granted

f. Stanley Odmann
Q50 - Sergeant, Police Department
Industrial Disability Retirement — Denied

g. Carlton Rivers
7420 - Bridge Tender, DPW
Ordinary Disability Retirement — Granted

h. Alfred Smyth
H40 - Battalion Chief, Fire Department
Industrial Disability Retirement — Granted

i. John J. Underdahl
7353 - Water Meter Repairer, Water Dept.
Ordinary Disability Retirement — Granted

j. John Wikstrom
H2 - Firefighter
Industrial Disability Retirement — Granted

k. PETITION FOR REHEARING

James E. C'Brien
H2 - Firefighter
Industrial Disability Retirement — Denied

ACTION: It was moved by Walker, seconded by Driscoll to adopt the Consent Calendar Items 1 - 5; motion passed 5-0.

INVESTMENT CALENDAR

NOTE: Dr. Weisberg arrived at this time.

1. CHIEF INVESTMENT OFFICER'S REPORT.

A. Proxy Votes

	For	Against
Square D Company - 15,000 Shares		
Shareholder Proposal		
The Company is recommending to reincorporate from Michigan to Delaware.	6	0
AMP Incorporation - 26,200 Shares		
Shareholder Proposal		
The Company wishes to change the state of incorporation from New Jersey to Pennsylvania.	6	0
Intel Corporation - 37,150 Shares		
Shareholder Proposal		
The Company requests that the registered office of the corporation be changed from California to Delaware.	5	1
Citizens & Southern Corporation - 43,000 Shares		
Shareholder Proposal		
The Company is proposing Article Fourteen be added to the Articles of Incorporation.	6	0
GTE Corporation - 71,050 Shares		
Shareholder Proposal		
The Company is proposing that limited shareholder pre-emptive rights be granted to shareholders.	1	5

	For	Against	Abstain
Dun & Bradstreet Corporation - 40,500 Shares			
Shareholder Proposal			
The Company is recommending a new 1989 Key Employees Restricted Stock Plan that will grant not more than 1,800,000 shares of common stock.	6	0	
The Company recommends supporting the Macbride Principles.	1	2	3
C. R. Bard, Inc. - 25,000 Shares			
Shareholder Proposals			
The Company wishes to set up a trust to pay the following contracted items: Retirement Plan for Outside Directors; long term Performance Incentive Plan; Deferred Compensation Contract Deferral of Discretionary Bonus; Supplemental Insurance/Retirement Plan - Officers.	2	4	
The Company has set up the "1989 SAR Plan".	4	2	
JOHNSON & JOHNSON - 59,200 Shares			
Shareholder Proposal			
The Company would like to broaden the market for the common stock and potentially increase the ownership by splitting the common stock 2 for 1 and increase the share outstanding from 270 million to 540 million.	6	0	
1. The Company has received proposals to sever economic ties with South Africa including direct investment.	1	5	
2. Ms. Bell would like the Company to report to shareholders annually the scope and cost of live-animal testing and on the company's achievements towards reducing the number of animals used.	2	4	
American Home Products Corporation - 36,300 Shares			
Shareholder Proposals			
1. The Company opposes the proposal to request the Board of Directors to establish a Review Committee to conduct an in-depth review of the Sherwood Northern Ireland operation.	4	2	

	For	Against
2. A group of shareholders have requested the Board of Directors to establish a program of withdrawing from South Africa - the sale of its affiliates there.	1	5
3. A shareholder is proposing American Home Products report annually to shareholder on animal testing.	2	4

Scott Paper Company - 32,700 Shares

Shareholder Proposal

Requiring the Company to amend the By-Laws so as to require each member of the Board to own at least 2,000 shares of common or preferred stock.	1	5

Whirlpool Corporation - 32, 100 Shares

Shareholder Proposal

The Company is recommending a stock option plan for non-employee directors - maximum number of shares would be 200,000.	6	0

Bell Atlantic - 67,199 Shares

Shareholder Proposal

Mrs. Davis is proposing the future term of all members of the board be limited to six years.	0	6

Shawmut National Corporation - 55,000 Shares

Shareholder Proposal

The Company's 1989 Non-Employee Directors' Restricted Stock Plan proposes non-employee directors to receive stock in the company instead of cash as an annual retainer fee.	6	0

Sherwin-Williams Company - 57,300 Shares

Shareholder Proposal

Requiring the Company to amend the Company's 1984 Stock Plan to increase the number of shares of common stock to be issued under the stock option plan by 2,000,000 shares.	6	0

	For	Against
Corning Glass Works - 22,800 Shares		
Shareholder Proposals		
The Company is proposing the following:		
1. A new employee equity participation program	5	1
2. To change its name from Corning Glass Works to Corning Incorporation.	6	0
3. Increase the authorized number of common shares from 180 million to 300 million	6	0
Ameritech - 60,000 Shares		
Shareholder Proposal		
The Company recommends that the number of authorized common shares to be issued and outstanding be increased from 600 million to 1.2 billion shares;	6	0
The Company also proposed that a new stock incentive stock options plan to issue options and stock appreciation rights to key employees.	6	0
Mrs. Davis is recommending the Company's annual meeting be held the first Monday in June.	4	2
The Chase Manhattan Corporation - 10,900 Shares		
Shareholder Proposals		
The bank should start reducing its LDC debt exposure. The company should publish a list by country of the financial restructuring. The company should develop a loan write-off policy to favor passing all write downs to the debtor countries.	0	6

ACTION: It was moved by Denning and seconded by Walker to direct staff to vote proxies requesting Companies to adopt the MacBride Principles by abstaining accompanied by a letter to the Management of the Company explaining the Retirement Board's position on this issue. Motion passed 6-0.

2. REAL ESTATE QUARTERLY REPORT BY TOWNSEND GROUP.

Terrance Ahern and Kevin Lynch of Townsend Group presented a written and oral report to the Retirement Board. The Board engaged in a question and answer session. No action was taken. Information item only.

3. REVIEW AND RECOMMENDATION OF INDUSTRIAL REAL ESTATE OR APARTMENT REAL ESTATE OPTIONS.

Terrance Ahern and Kevin Lynch of Townsend Group presented their written report and oral comments on Residential Real Estate as well as a survey of currently available apartment/residential funds. Townsend Group recommended the Retirement Board consider separate account rather than comingled fund vehicle. The Board engaged in a question and answer session.

ACTION: It was moved by Denning and seconded by Walker to direct staff and Townsend Group to conduct a search for apartment/residential separate account manager; motion passed 6-0.

4. REVIEW OF REQUEST FOR PROPOSAL AND LIST OF RECIPIENTS FOR ALTERNATIVE ASSET CONSULTANT.

Clare M. Murphy, General Manager, and Gary Hiatt, Security Analyst, presented a written and oral report to the Board on this item. The Board engaged the staff in a question and answer session. No action was taken. Information item only.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Driscoll, seconded by Walker, to hear the Supplemental Calendar; motion passed 6-0.

ITEM

1. a) SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Sheila Buckner $ 313.30

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Lance Luke $6,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Yao Ming Pan $22,500.00

3. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Wilbert R. Taylor

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Peter R. Haggard

4. HEARING OFFICER DECISION:

a. John J. Walsh
H20 Lieutenant, Fire Department
Determination and
Industrial Disability Retirement — Granted

b. Robert F. Lamey
H-20 - Lieutenant, Fire Department
Industrial Disability Retirement — Granted

c. Jack Pacheco
H-20 - Lieutenant, Fire Department
Industrial Disability/Stipulation — Granted

ACTION: It was moved by Weisberg, seconded by Driscoll to adopt the Supplemental Calendar except item 3(b). Motion passed 6-0.

CHIEF INVESTMENT OFFICER'S REPORT (Continued)

Clare M. Murphy, General Manager, reported:

1. A change in OECHSLE International financial structure with the addition of Dresdner Bank as a limited partner.

2. Distributed a report on Coldwell Banker disposition plans for Coldwell Banker Institutional Fund III.

3. Distributed a press release concerning the agreement to change ownership of Coldwell Banker from Sears, Roebuck and Co.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager reported:

1. The Mayor's Office budget review is expected by Friday, March 31, 1989.

2. The 730 Statement of Economic Interests must be filed by April 1, 1989. If later, $10 per day must accompany late filing.

3. The Chief Investment Officer Civil Service Assessment Center Exam to be conducted March 29 through 31, 1989.

EXECUTIVE SESSION

The Board went into Executive Session to discuss a matter of litigation. The Board reconvened in open session and announced no action was taken.

There being no further business, The Board adjourned its meeting in honor of the new citizenship of Ana Zepeda and Lorna Navarro of the Retirement System staff at 5:15 P.M.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting by Court Reporter: Dawn McNamee

SF
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#3
4/11/89

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, APRIL 11, 1989
1:30 P.M.

PRESENT:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	Paul Denning	Commissioner
	Raymond L. Weisberg, M.D.	Commissioner
ABSENT:	Joseph Driscoll	Commissioner
	Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, March 28, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 19-88

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Marion Wake $25,000

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Mary Ann Washington $3,000.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Merriam T. Baldomero

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Rita Ng

5. HEARING OFFICER DECISION:

a. Matthew Clark
9163 - Transit Operator
Ordinary Disability Retirement Granted

b. Eldon M. Howd
3417 - Gardener, SF Community College District
Ordinary Disability Retirement Granted

c. Marie Paillet
2708 - Custodian, SFUSD
Ordinary Disability Retirement Granted

d. James Reese
2736 - Porter, SFGH
Ordinary Disability Retirement Granted

ACTION: It was moved by Weisberg, seconded by Walker to adopt the Consent Calendar Items 1-5; motion passed 4-0.

REGULAR CALENDAR

ITEM

1. 180-DAY REVIEW OF PERFORMANCE OF REVIEWCO (WORKERS' COMPENSATION BILL REVIEW CONTRACTOR).

   Mike Lewis, Workers' Compensation Division Manager, presented a written and oral report to the Board on this item. The Board engaged the staff in a question and answer session. No action was taken. Information item only.

2. REQUEST FOR APPROVAL OF AMENDMENTS TO THE HARTFORD DEFERRED COMPENSATION PLAN DOCUMENT.

   Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. Board Members discussed the proposed changes with the City Attorney and Staff. The City Attorney will continue to review the proposed changes to the plan document and bring a final recommendation to the Board at the next regularly scheduled meeting. No action was taken; this was an information item only.

3. REQUEST FOR THE RELEASE OF INFORMATION TO THE HARTFORD DEFERRED COMPENSATION PLAN.
   Pam Levesque , Executive Assistant requested this item be removed from the Calendar. Staff will reschedule this item at a later Board Meeting.

4. REQUEST TO AMEND THE INDUSTRIAL DISABILITY RETIREMENT APPLICATION OF GARY LINDLEY, SFFD.

   Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on this item.

   ACTION: It was moved by Weisberg and seconded by Walker to approve the request to amend the Industrial Disability Retirement application of Gary Lindley, SFFD; motion passed 4-0.

5. REQUEST FOR BOARD TO ATTEND THE THIRD ANNUAL GLOBAL PENSION FUND FORUM IN AMSTERDAM ON MAY 7-9, 1989.

   Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item. The Board also engaged staff in a discussion regarding policy on international travel.

   ACTION: It was moved by Walker and seconded by Ashe to approve the request; motion passed 5-0.

   NOTE: Commisioner Denning arrived during the above discussion.

6. REQUEST FOR DESTRUCTION OF RECORDS.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

ACTION: It was moved by Weisberg, seconded by Walker to approve the request for destruction of records; motion passed, 5-0.

7. REQUEST FOR DESTRUCTION OF RECORDS FROM THE ARTS COMMISSION OF SAN FRANCISCO.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

ACTION: It was moved by Weisberg, seconded by Walker to approve the request for destruction of records from the Arts Commission of San Francisco; motion passed 5-0.

8. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

Vincent Leone

Dan Maquire , Deputy City Attorney presented a written and oral request on this item. The Board reviewed and discussed the request.

ACTION: It was moved by Walker, seconded by Ashe to approve the request to withdraw funds from the Deferred Compensation Plan in the amount of $15,600 for Vincent Leone; motion passed 5-0.

INVESTMENT CALENDAR

1. REQUEST FOR APPROVAL OF CHANGE IN OWNERSHIP OF COLDWELL BANKER COMMERCIAL GROUP.

Clare M. Murphy, General Manager, Carolyn Hamilton, Assistant Chief of Investments, and Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session. Ken Taymor, Special Assistant to the City Attorney, also participated in the discussion. Frank Gilberd, Vice President of Coldwell Banker, also joined the discussion to answer the Board's specific questions about the change of ownership of Coldwell Banker.

ACTION: It was moved by Weisberg, seconded by Denning to approve the staff's recommendation contingent upon review by Townsend Group to accept the change in ownership of Coldwell Banker; motion passed, 5-0.

2. ANALYSIS AND RECOMMENDATION ON ANTICIPATED MULTICOMPANY PROXY ISSUES TO ARISE IN THE PROXY SEASON.

Clare M. Murphy, General Manager, Mark Coleman, Security Analyst, and Ken Taymor, Special Assistant to the City Attorney, presented a written and oral report to the Board on this item. The Board engaged in a discussion with staff.

ACTION: It was moved by Weisberg, seconded by Walker to approve Staff's report and recommendation and to adopt items 1,2 and 3 as the Boards' policy on the proxy issues of Executive Compensation, Charitable Contributions and Minimum stock ownership for Directors; motion passed 4 -1(Denning).

3. CHIEF INVESTMENT OFFICER'S REPORT.

A. Proxy Votes

			For	Against
1.	Economic Restructuring Issues:			
	a. Armco Inc.	Joint Venture with Kawasaki Steel.	5	0
	b. Southern California Edison	Merger with San Diego Gas & Electric	5	0
2.	Employee Issues:			
	a. A.T.&T.	1) Listing key employees with government service the last five years.	1	5
		2) Report on internal affirmative action goals	0	5
		3) Ban affirmative action programs	0	5
	b. Pacific Telesis	Plant closings and economic impact reports.	1	4
	c. Dow Chemical	Golden Parachute put to shareholder vote.	4	1

		For	Against
3. Foreign Policy Issues			
a. Manufacturers Hanovers.	Request Brazil & Argentina not to make nuclear bombs	1	4
b. Citicorp	Request Brazil & Argentina not to make nuclear bombs	1	4
c. Exxon	Withdraw from Malaysia unless government policies change	0	5
4. Social Issues:			
a. IBM	Animal Testing	0	5
b. Detroit Edison	Develop several nuclear waste depositories	1	4
c. General Electric	1) Develop hazardous materials plan similar to Dow, MMM, and Chevron	2	3
	2) Government Service	1	4
	3) Report on Boiling Water Reactors	1	4
5. Corporate Governance			
a. Banc One Corp	Reincroporation from Delaware to Ohio.	3	2
b. Mellon Bank	Issue additional shares of preferred and common stock	5	0
c. Dow Jones & Co.	Decrease preferred's common stock authorized	5	0
d. Sun Exploration	Name change to "Oryx"	5	0
e. Santa Fe Southern Pacific	Name change to "Santa Fe Pacific Corporation	5	0

		For	Against
6. Shareholder Issues:			
a. Bankers Trust Co.	New loans and renewed loans tied to company annual meeting date	2	3
b. Amoco	Length of written shareholder statements	1	4

CIO Report Continued

B. Investment Staff Meetings.

The General Manager distributed a list of all the companies the investment staff met with during the month of March 1989.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Walker, seconded by Ashe, to hear the Supplemental Calendar; motion passed 5-0.

ITEM

1. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Charles Bankhead $12,500.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Arlana Spikener $ 6,100.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Lonnie Lawson $6,000.00

ACTION: It was moved by Walker, seconded by Denning to adopt the Supplemental Calendar; motion passed 5-0.

EXECUTIVE SESSION

The Board went into Executive Session to discuss personnel and litigations issues before the Retirement System. The Board reconvened in open session and announced no action had been taken during the Executive Session.

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager reported:

1. The Hartford Deferred Compensation Plan has increased the General Account to 9.2% effective 4/1/89

There being no further business, The Board adjourned its meeting in memory of Alvin W. Schaaf, Personnel Director for the Recreation and Parks Department and for Lawrence Narlock, father of Brian Narlock, Workers Compensation Supervisor II. , at 6:00 P.M.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting by Court Reporter: Richard Adams

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MINUTES

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RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, APRIL 25, 1989
1:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	Paul Denning	Commissioner
	Joseph D. Driscoll	Commissioner
	Raymond L. Weisberg, M.D.	Commissioner
	Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, April 11, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 20-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Stephen Gilles $18,000.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Albert Martinez $745.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Lawrence Ramlan $3,707.94

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLMENT:

Johnny Williams $2,427.85

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Marie Giovanetti $7,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Ora Wright $10,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Mario Barrios $1500.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Sonia Reyes

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Nadine L. Smith

5. HEARING OFFICER DECISION:

a. Robert E. Dagitz
0380 - Police Inspector
Industrial Disability/Stipulation Denied
Retirement

b. Robert J. Descalzo
8442 - Probation Officer, Juvenile Hall
Ordinary Disability Retirement Granted

c. Jean J. Powers
Q-2 - Police Officer
Industrial Disability Retirement/ Granted
Dtermination
Granted

d. Bobbie M. Robinson
9163 - Transit Operator
Ordinary Disability Retirement Denied

ACTION: It was moved by Weisberg, seconded by Driscoll to adopt the Consent Calendar Items 1-5; motion passed, 7-0.

REGULAR CALENDAR

ITEM

1. REQUEST FOR APPROVAL OF AMENDMENTS TO THE HARTFORD DEFERRED COMPENSATION PLAN DOCUMENT.

Pam Levesque, Executive Assistant and Dan Maquire, Deputy City Attorney, presented a written and oral report to the Board on the proposed amendments to the Hartford Plan Document. The Board reviewed the Plan Document with staff.

ACTION:It was moved by Denning, seconded by Driscoll to adopt the amended Hartford Deferred Compensation Plan Document; motion passed, 7-0.

2. PROPOSED LEGISLATION TO IMPLEMENT PROPOSITION H:

Kieran Murphy, Staff Actuary and Dan Maquire Deputy City Attorney presented a written and oral report to the Board on the proposed legislation to implement Proposition H. The Board engaged in a question and answer session with staff. Steve Neuberger from Local 790 was also present to discuss the issue.

ACTION:It was moved by Weisberg, seconded by Ashe to approve staffs' recommendation on the proposed legislation to implement Proposition H; motion passed, 7-0.

3. PROPOSED LEGISLATION TO IMPLEMENT PROPOSITION I:

Kieran Murphy, Staff Actuary and Dan Maquire, Deputy City Attorney presented a written and oral report to the Board on the proposed legislation to implement proposition I. The Board reviewed and discussed the proposal with staff.

ACTION:It was moved by Walker, seconded by Denning to approve the proposed legislation to implement proposition I; motion passed 6-0 (Weisberg absent).

4. REQUEST FOR REHEARING FOR THE INDUSTRIAL DISABILITY APPLICATION OF CARL W. JACKSON:

Dan Maquire, Deputy City Attorney presented a written and oral request to the Board to petition for a rehearing in the matter of Carl W. Jackson. The Board reviewed the case with Mr. Maquire.

ACTION:It was moved by Denning, seconded by Walker to approve the Deputy City Attorney's request to petition for a rehearing; motion passed, 7-0.

INVESTMENT CALENDAR

1. STAFF REPORT ON THE PERFORMANCE OF INTERNAL AND EXTERNAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED MARCH 31, 1989.

Herb Meiberger, Security Analyst presented a written and oral report to the Board on the performance of the internal and external fixed income managers for the quarter ended March 31, 1989. Mr. Meiberger also discussed the economy during the last quarter and the economic indicators that can be expected during the next quarter. The Board reviewed and discussed the report with staff. No action was taken. This was an information item only.

2. STAFF REPORT ON THE PERFORMANCE OF THE INTERNAL AND EXTERNAL EQUITY MANAGERS FOR THE PERIOD ENDED MARCH 31, 1989.

Carolyn Hamilton, Assistant Chief of Investments presented a written and oral report on the performance of the internal and external equity managers for the quarter ended March 31, 1989. Ms. Hamilton also discussed relevant economic factors . The Board reviewed and discussed the report with staff. No action was taken on this item. This was an information only item only.

3. STAFF REPORT ON THE TOTAL PORTFOLIO PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 1989

Carolyn Hamilton, Assistant Chief of Investments, and Clare M. Murphy, General Manager, presented a written and oral report to the Board on the total portfolio performance for the quarter ended March 31,1989. The Board engaged in a question and answer session with staff. No action was taken. This was an information item only.

4. STAFF RECOMMENDATION ON THE ALLOCATION OF FUNDS FOR THE PERIOD ENDING JULY 31, 1989

Carolyn Hamilton, Assistant Chief of Investments, Mark Coleman, Security Analyst and Clare M. Murphy, General Manager presented a written and oral report to the Board recommending the asset allocation of funds for the period ending July 31, 1989. The Board reviewed and discussed the allocation with the staff.

ACTION: It was moved by Denning, seconded by Walker to accept staff's recommendation on the allocation of funds for the period ending July 31, 1989; motion passed, 6-0.

NOTE: Supervisor Bill Maher left the meeting during the above discussion.

5. CHIEF INVESTMENT OFFICER'S REPORT.

A. Proxy Votes

	For	Against
1. Foreign Policy Issues:		
a. Chevron Corp Withdrawal of Caltex from South Africa.	4	2
Withdrawal from Angola	0	6
Increase shareholder comments above 500 word limit	2	4

2.	Social Issues:		
	a. Avon Products Report on animal testing	1	5
	b. Greyhound Corp Report on animal testing	1	5
3.	Corporate Governance:		
	a. Pepsico Revise incentive plan to adjust for stock buy backs	2	4
	b. Waste Management By-laws amended without shareholder approval	4	2
	c. Arkla Retire preferred shares	6	0
	Remove pre-emptive rights	6	0
	d. Roadway Services Inc. Increase authorized common shares	6	0
	e. Nordstrom Increase authorized common shares	6	0
	f. Consolidated Edison Split the common shares 2 for 1	6	0
	Publish a list of government service employees currently in Con. Edison employment	0	6
	Pre-emptive rights restored	1	5
	g. MCA Communications Increase the number of common shares outstanding	6	0

The General Manager reported the following items under the Chief Investment Officer Report:

B. The Townsend Group withdrew their bid to be a real estate consultant to the State Teachers Retirement System.

C. The Townsend Group will present their special report on Coldwell Banker III at the May 30, Retirement Board meeting.

D. The RFP for the Special Asset Class has been sent to twelve firms. Only five responses have been received thus far.

E. The Board discussed with the General Manager the request for information from Institutional Investor and the Institute for Fiduciary Education.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda: (2) Upon a determination by a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION:It was moved by Denning, seconded by Walker to hear the Supplemental Calendar; motion passed, 6-0.

ITEM

1. HEARING OFFICER DECISIONS:

a. Antonina Ayon
PH-LHH - 2302 - Orderly
ORDINARY DISABILITY
Effective Date: January 1,1989 Granted

b. Joseph S. Carroll
Police - Q-2 Police Officer
DETERMINATION
Effective Date:
November 5,1988-December 20,1988 Granted

c. Eugene L. Gard
Fire - H10 Chief Operation
INDUSTRIAL DISABILITY/STIPULATION
Effective Date: March 20, 1988 Granted

d. Mozell Woodford
DSS - 2907 Eligibility Worker/Supervisor
ORDINARY DISABILITY
Effective Date: October 31,1988 Granted

2. PETITION FOR REHEARING:

a. Kevin L. Hall
Police - Q-2 Police Officer
DETERMINATION Denied

ITEM

2. a.REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Peter Haggard

b.REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

James R. McLaughlin

ACTION: It was moved by Denning, seconded by Weisberg to adopt the Supplemental Calendar except for Item 1-b; motion passed,6-0.

ITEM 1.

b. Joseph S. Carroll
Police - Q-2 Police Officer
DETERMINATION
Effective Date:
November 5,1988-December 20,1988 Granted

ACTION: It was moved by Weisberg, seconded by Denning to authorize the Deputy City Attorney to request a rehearing in the matter of Joseph S. Carroll; motion passed, 5-1(Driscoll).

EXECUTIVE SESSION

The Board went into Executive Session to discuss personnel and litigation issues before the Retirement System. The Board reconvened in open session and announced no action had been taken during the Executive Session.

GENERAL MANAGER'S REPORT

Clare M. Murphy, the General Manager reported that:

1. A meeting on the Retirement System budget had taken place with Mayor's Senior Budget staff. Further reports will follow as Mayor's Office budget decisions are finalized.

2. The middle of May will be the last chance for the introduction of Charter Amendments. The Retirees intend on introducing an amendment for an adhoc COLA. Police and Fire intend to introduce an amendment and the Mayors office is looking again at the amortization question of the pension fund.

There being no further business, The Board adjourned its meeting in celebration of the birth of Joseph Daniel Driscoll. Meeting was adjourned at 6:00 P.M.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting by Court Reporter: Theresa Becker

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, MAY 9, 1989

1:30 P.M.

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Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	Joseph D. Driscoll	Commissioner
	Raymond L. Weisberg, M.D.	Commissioner
	Bill Maher	Supervisor
ABSENT:	Paul Denning	Commissioner

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, April 25, 1989
ACTION: Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM			
1.	a.	VOLUNTARY SERVICE RETIREMENT LIST - 21-88	
2.	a.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Michael G. Cesari	$495.00
	b.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Leon Holomon	$509.18
	c.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Alan Honniball	$560.00
	d.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Paul Picetti	$2,090.71
	e.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Larry Piol	$7,500.00
	d.	SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT: Fred M. Satterfield	$774.94
3.	a.	SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE: Ena Vargas	$15,000.00
	b.	SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE: Fred Ribeiro	$7,615.00
	c.	SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE: Clara Cooper	$12,385.00
	d.	SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE: Charles O. Cortez	C&R with credit

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

James Walker Wimberly

5. HEARING OFFICER DECISION:

a. Daniel Hugh
8304 - Deputy Sheriff
PERS — Granted

b. Ben C. Luttringer
0380 - Inspector, Police Department
Industrial Disability/Stipulation — Granted
Effective Date: July 9, 1989

c. George Wallace
Q-50 - Sergeant, Police
Industrial Disability/Stipulation — Granted
Effective Date: July 11, 1989

ACTION: It was moved by Weisberg, seconded by Driscoll to adopt the Consent Calendar Items 1 - 5; motion passed, 5-0

REGULAR CALENDAR

ITEM

1. PROPOSED INVESTMENT DIVISION BUDGET FISCAL YEAR 1989-1990

Rudy Hernandez, Deputy General Manager, and Clare Murphy, General Manager, presented a written and oral report to the Board. The Board engaged in a question and answer session with staff on the proposed Investment Division Budget for Fiscal Year 1989-1990.

ACTION: It was moved by Wesiberg, seconded by Walker to adopt the proposed Investment Division Budget FY 89-90; motion passed, 5-0.

INVESTMENT CALENDAR

1. INVESTMENT REVIEW BY CALLAN ASSOCIATES FOR THE QUARTER ENDED MARCH 1989.

Ron Peyton, President, Callan Associates, presented a written and oral report to the Board on this item. The Board and staff discussed the report and engaged in a question and answer session. No action was taken. This was an information item only.

2. PRESENTATIONS BY EXTERNAL INVESTMENT MANAGER

1. Representatives from the following firms made written and oral presentations to the Board on the performance of their portfolios for the quarter ending March 31, 1989.

A. Axe Core Investors

B. First Chicago Inv. Advisors

C. Oechsle International Advisors

D. Trinity

E. RCM

The representatives also discussed economic conditions during the past quarter and the economic forecast for the remainder of 1989. The Board engaged in a question and answer session with each firm. No action was taken. This was an information item only.

NOTES: Supervisors Maher arrived during the Axe Core presentation.

President Gibson arrived during the Oechsle presentation.

Supervisor Maher left following the Oechsle presentation.

3. REPORT ON PROXY ISSUES

Clare M. Murphy, General Manager, presented to the Board a written and oral report on the proxies staff had voted during the current proxy season. No action was taken on this item. This was an informative item only.

4. CHIEF INVESTMENT OFFICER'S REPORT.

A. Proxy Votes

	For	Against
1. Corporate Goverance:		
a. Ford Motor Company - 140,900 Shares		
The Company wants to opt out of Section 203 of the Delaware Corporation Law	5	0
The Company wanst to change Annual meeting location	1	4
b. Consolidated Natural Gas - 21,900 Shares	5	0
The Company wishes to increase the number of shares outstanding		
c. J.C. Penny Company - 30,500 Shares		
The Company is proposing that equal opportunity for share repurchase terms be offered to all shareholders.	5	0
d. Wellman, Inc. - 45,000 Shares		
The Company wishes to increase the number of common shares outstanding	5	0
e. NWA, Inc. - 23,800 Shares		
The Company is requesting matched opportunity to purchase shares of common stock by the NWA labor union when ever a tender offer is made.	0	5
2. Foreign Policy		
a. General Motors - 78,700 Shares		
The Company is proposing to pressure former South African subsidiary not to sell autos to the South African military and police.	1	4
The Company is recommending not to sell to communist bloc countries.	0	5
The Company request to state the estimate of the unfunded option & incentive plan liability on the financial statements.	5	0

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Ashe, seconded by Weisberg to hear the Supplemental Calendar; motion passed, 5-0.

ITEM

1. a) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

   Cheryl Delamere

   b) REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

   Michael Heffernan

2. HEARING OFFICER DECISION

   a) Kent Brandt
   H2-Firefighter
   DETERMINATION
   Dates: February 6 - March 6, 1989 — Granted

   b) Cab Colloway
   9163 Transit Operator, MUNI
   Industrial Disability/Stipulation
   Effective Date: July 1, 1988 — Granted

   c) Petition for Rehearing

   Arnold F. Diem
   H2 Firefighter
   Industrial Disability/Stipulation — Denied

   d) Petition for Rehearing

   Bernard McKay
   0380 Inspector-Police
   Industrial Disability/Stipulation — Denied

3. Request for Board Member Peter Ashe to travel to the MACRS Annual Meeting May30, 1989 through June 2, 1989 in Hyannis, Massachussets.

ACTION: It was moved by Ashe, seconded by Weisberg to adopt the Supplemental Calendar Items 1 - 3, motion passed, 5-0

GENERAL MANAGER'S REPORT

Clare M. Murphy, the General Manager reported that:

1. All Board members were invited to attend the Spring Callan Institute. Interested Board members should let Clare or Administrative Staff know.

EXECUTIVE SESSION

The Board went into Executive Session to discuss personnel and litigation issues before the Retirement System. The Board reconvened in open session and announced no action had been taken during the Executive Session.

BOARD MEMBERS

Board Members discussed with the General Manager the forward schedule for Retirement Board meetings and the topics to be calendared. The Board decided to schedule the following:

June 6, 1980	1:30 PM
June 13, 1989	1:30 PM
June 27, 1989	1:30 PM
June 29, 1989	1:30 PM

The General Manager's office will release a schedule as soon as possible.

There being no further business,
The Board adjourned its meeting
at 6:10 P.M.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting
by Court Reporter: Christy Clark

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5/30/89

CALENDAR

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, May 30, 1989
1:30 P.M.

Bonnie K. Gibson	President
Samuel W. Walker	Vice President
Peter D. Ashe	Commissioner
William Breall, M.D.	Commissioner
Joseph D. Driscoll	Commissioner
Maurice Mann	Commissioner
Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

RETIREMENT BOARD

REGULAR MEETING

MINUTES

Minutes of Regular Meeting May 9, 1989, submitted for approval.

CONSENT CALENDAR

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Board. There will be no separate discussion on these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a seperate item.

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 22-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

John Joseph Cleary $5,868.33

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Ross E. Laflin $10,280.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Frederick Loville $1,250.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Richard V. Manning $5,674.34

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Martin Sacco $19,720.00

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Leonard Whitman $2,382.26

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

James Carter $1,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Thomas Hill $22,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Cedril Hudson $45.88

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Frank Rosiles $10,000.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Danilo A. Farrales

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Joel Irvine

c. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Donna Yolanda Marion

d. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Vicki Solls

5. a. REQUEST FOR BIRTHDAY CORRECTION:

Ethel M. Russell

6. HEARING OFFICER DECISION:

a. Leonard J. Barnette
9139 - Transit Operator, MUNI
Ordinary Disability Retirement/Stipulation
Effective Date: November 12, 1988 Granted

b. Fred Baumeister
0700 - Teacher SUSD
Ordinary Disability Retirement
Effective Date: June 17, 1989 Granted

c. Paul Bellazain
9163 - Transit Operator, MUNI
Ordinary Disability Retirement Denied

d. Paul H. Seidler
Q-50 Sergeant Police Dept.
Industrial Disability Retirement
Effective Date: March 25, 1989 Granted

e. Petition for Rehearing

Jeremy Zatkin
Q-2 Police Department Granted

ACTION:

REGULAR CALENDAR

Item

1. a. Hearing Officer Decision

Raymond E. West
Q2 - Police
Determination — Granted

ACTION:

2. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND THE TCW REAL ESTATE SEMINAR TO BE HELD JUNE 9, 1989, IN SAN FRANCISCO:

ACTION:

3. REQUEST FOR AUTHORIZATION FOR THE GENERAL MANAGER TO ATTEND THE MARKET MAKERS SEMINAR TO BE HELD JUNE 19-22, 1989, IN BREWSTER, MASSACHUSETTS:

ACTION:

4. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND THE PENSION FUNDS AND REAL ESTATE MEETING TO BE HELD JUNE 25-27, 1989, IN ORLANDO, FLORIDA:

ACTION:

5. REQUEST TO APPROVE CONSULTING ACTUARIAL CONTRACT FOR FY 89-90:

ACTION:

6. REPORT ON PROPOSED SETTLEMENT FOR:

Donald J. Weiss

ACTION:

7. REPORT AND REQUEST TO AMEND THE ANISTICS SERVICES CONTRACT FOR THE WORKER'S COMPENSATION DIVISION:

ACTION:

INVESTMENT CALENDAR

1. REPORT ON COLDWELL BANKER III BY THE TOWNSEND GROUP

ACTION:

2. PRESENTATION BY THE TOWNSEND GROUP ON RESIDENTIAL AND INDUSTRIAL REAL ESTATE SEARCH.

ACTION:

3. REPORT ON ALTERNATIVE ASSET CONSULTANT SEARCH.

ACTION:

4. CHIEF INVESTMENT OFFICER'S REPORT

   A. Proxy Votes

ACTION:

PUBLIC COMMENTS

EXECUTIVE SESSION

GENERAL MANAGER'S REPORT

BOARD MEMBERS

CALENDAR

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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JUN 6 1989
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TUESDAY, June 6, 1989

1:30 P.M.

Bonnie K. Gibson	President
Samuel W. Walker	Vice President
Peter D. Ashe	Commissioner
William Breall, M.D.	Commissioner
Joseph D. Driscoll	Commissioner
Maurice Mann	Commissioner
Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

RETIREMENT BOARD

REGULAR MEETING

MINUTES

Minutes of Regular Meeting May 30, 1989, submitted for approval.

CONSENT CALENDAR

All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Retirement Board and will be acted upon by a single vote of the Board. There will be no separate discussion on these items unless a member of the Board so requests, in which event the matter shall be removed from the Consent Calendar and considered as a seperate item.

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 23-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Aaron H. Casey $3,241.06

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Luke Jones $648.20

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Benson Lau $429.30

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Alfonso Salazar $8,000.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Michael Becker

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Wilie Campers, Jr.

c. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Maria Carmody

5. HEARING OFFICER DECISION:

a. Anthony Deizompo
Q-50 Sergeant, Police Department
Industrial Disability Retirement/Stipulation
Effective Date: August 13, 1988 Granted

b. John Perrick
H20 - Firefighter
Industrial Disability Retirement
Effective Date: July 6, 1989 Granted

c. Louise Senatore
8214 Parking Control Officer
Ordinary Disability Retirement Granted
Effective Date: January 1, 1989

ACTION:

REGULAR CALENDAR

Item

1. REPORT ON PROPOSED CHARTER AMENDMENTS FOR THE NOVEMBER 1989 BALLOT:

ACTION:

2. PRESENTATION OF RETIREMENT BOARD BINDERS FOR BOARD MEMBERS:

ACTION:

INVESTMENT CALENDAR

1. ACTIVITIES AND PERFORMANCE OF THE EXTERNAL INTERNATIONAL EQUITY MANAGERS FOR THE QUARTER ENDED MARCH 31, 1989

2. ACTIVITIES AND PERFORMANCE OF THE EXTERNAL INTERNATIONAL FIXED MANAGERS FOR THE QUARTER ENDED MARCH 31, 1989.

3. PRESENTATION ON CORE INVESTMENT PLAN

ACTION:

4. CHIEF INVESTMENT OFFICER'S REPORT

A. Proxy Votes

ACTION:

PUBLIC COMMENTS

EXECUTIVE SESSION

GENERAL MANAGER'S REPORT

BOARD MEMBERS

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MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, June 27, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Peter D. Ashe	Commissioner
	Joseph D. Driscoll	Commissioner
	William Breall, M.D.	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor
	Samuel W. Walker	Vice President

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meetings of May 30, 1989 and June 6, 1989 were Approved as Submitted.

RETIREMENT BOARD

REGULAR MEETING

NOTE: Commissioner Driscoll arrived at this time.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 24-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Ernest Chin $4,081.38

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Richard Geran $ 43.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

William Haynes $1,611.23

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Kim H. Hennessy $1,960.80

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Windroff S. Newton $ 526.45

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Oliver Streets $ 311.00

g. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT

Gregory F. Winslow $ 994.87

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Joseph Arsanis $11,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Sammy L. Boykins $5,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Carl Fortier $2,500.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Donna Grady $13,000.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Keith T. Ybarreta $15,000.00

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Bernice Larry $1,000.00

g. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Christy Rodrigues-Fazzio $17,500.00

4. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Colleen Kemp

5. HEARING OFFICER DECISION:

a. Gary Fry
9139 Transit Operator MUNI
Ordinary Disability Retirement
Effective Date: March 1, 1989 Granted

b. Guy A. Markell
H4 Fire Inspector
Industrial Disability Retirement
Effective Date: December 17, 1988 Denied

c. Minnie L. McGowan
2302 Orderly, Laguna Honda Hospital
Ordinary Disability Retirement
Effective Date: August 1, 1988 Granted

d. Lynn J. Smoot
Q2 Police Officer
Determination Granted

e. Randolph Tyler
9126 Transit Traffic Checker
Ordinary Disability Retirement
Effective Date: September 1, 1988 Denied

ACTION: It was moved by Ashe, seconded by Breall, to adopt the Consent Calendar Items 1-5, except for item 5b which will be continued to the July 11, 1989 Board meeting, motin passed, 5-0.

REGULAR CALENDAR

2. REQUEST FOR ENDORSEMENT OF THE CHARTER AMENDMENT TO INCREASE THE RETIREMENT ALLOWANCE FOR MISCELLANEOUS EMPLOYEES RETIRED BEFORE JULY 2, 1988.

Kieran Murphy, Actuary, presented a written and oral report to the Board on the proposed Charter Amendment to increase the retirement allowance for miscellaneous employees retired before July 2, 1988. The Board engaged in a question and session with Mr. Murphy and Staff. Representatives from The Retired Employees Association were also present to discuss this issue with the Board members and staff.

ACTION: It was moved by Mann, seconded by Breall to approve the request for Endorsement of the Charter Amendment to Increase the Retirement Allowance For Miscellaneous Employees Retired before July 2, 1988; motion passed, 5-0.

1. REQUEST FOR APPROVAL FOR BOARD MEMBERS AND STAFF TO ATTEND THE INTERNATIONAL FOUNDATION BENEFITS CONFERENCE AUGUST 21 - 23, 1989 IN SAN FRANCISCO.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

ACTION: It was moved by Ashe, seconded by Driscoll, to authorize Board and Staff to attend the International Foundation Benefits Conference August 21 - 23, 1989 in San Francisco. Motion passed, 5-0.

INVESTMENT CALENDAR

1. REAL ESTATE QUARTERLY PERFORMANCE REPORT.

Terry Ahern of The Townsend Group presented a written and oral report on quarterly performance for the Real Estate Portfolio for the period ending March 31, 1989. The Board reviewed and discussed the report with Mr. Ahern and staff.

ACTION: No action was taken on this item. This was an information item only.

2. REPORT ON RESIDENTIAL ADVISOR SEARCH

Terry Ahern of The Townsend Group presented a written and oral report on this item. The Board engaged in a question and answer session with Mr. Ahern and Staff.

The Board took a Supplemental action in order to take action on Investment item Number 2.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Mann, seconded by Breall to approve taking Supplemental Action on Investment item number 2; motion passed 5-0.

ACTION: It was moved by Driscoll, seconded by Mann, to approve the Townsend Group's recommendation on the four finalist to be interviewed for a Residential Real Estate Advisor with a fifth slot to remain open and a firm added at the discretion of Townsend with staff's concurrence if necessary; motion passed, 5-0.

4. CHIEF INVESTMENT OFFICER'S REPORT:

a. REPORT ON THE SPECIAL ASSET CLASS SEARCH.

Gary Hiatt, Security Analyst, presented a written and oral report on the Special Asset Class Search. The Board reviewed and discussed the firms who will be making presentations at the June 29, 1989 Board meeting.

b. DISTRIBUTION OF IRRC SOUTH AFRICA RESTRICTED LIST.

The most current list on IRRC South Africa Restrictions was distributed. The Board reviewed the list.

c. Clare M. Murphy, General Manager, informed the Board that Ken Shaffer, the new Chief Investment Officer, was in San Francisco two weeks ago to meet the staff. He will begin as CIO on July 19, 1989.

GENERAL MANAGER REPORT

1. MAYOR'S FISCAL ADVISORY COMMITTEE meeting

   The Mayor's Fiscal Advisory Committee met with Clare M. Murphy, General Manager, and Kieran Murphy, Actuary, regarding Benefits and Wages. MFAC is most interested in reviewing the Total Compensation package of wages and benefits for the City.

2. Budget hearings concluded last Monday June 19, 1989. The net decrease from last year budget for the Retirement System is $64,000. The largest increase is for the City Attorney's Work Order. The Work Order will increase $280,000. This will bring the total cost for Legal Services to $1,045,000.

3. Supervisor Walker raised issues of Workers Compensation Cost at the Board of Supervisors meeting on Monday June 26, 1989. The issues raised pertain to the reduction in Workers Compensation cost for the Golden Gate Bridge District. The District was able to lower costs considerably and Ms. Walker wants to investigate the possibilities of lowering San Francisco's Cost.

4. Over the last several weeks, discussions took place which produced a side letter in conjuctions with the MOU for the Nurses. The side letter pertained to HIV confidentiality with Workers Compensation cases. The side letter states it is "our intention" to handle these types of cases using the "Jane Doe Procedures."

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Ashe to hear the Supplemental Calendar; motion passed, 5-0

Item

1. HEARING OFFICER DECISION:

   a. James Boque
      H2 Firefighter
      Industrial Disability Retirement/Stipulation
      Effective Date: July 3, 1989 Granted

b. Paul M. Scott
2907 Eligibility Worker Supervisor
Ordinary Disability Retirement
Effective Date: May 1, 1989 Granted

2. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Nathaniel Winston, Jr.

ACTION: It was moved by Mann, seconded by Breall to adopt the Supplemental Calendar Item 1 and 2; motion passed, 5-0

EXECUTIVE SESSION

The Board went into Executive Session to discuss a litigation issue before the Retirement System. The Board reconveyed in open session and announced that no action had been taken during Executive Session.

There being no further business, the Board adjourned its meeting in Memory of Thomas W. Malloy, former General Manager of Recreation and Park. Meeting was adjourned at 5:20 PM.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting by Court Reporter: Richard Adams

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6/29/89

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THURSDAY, June 29, 1989
1:30 P.M.

Present:	Bonnie K. Gibson	President
	Peter D. Ashe	Commissioner
	Joseph D. Driscoll	Commissioner
	William Breall, M.D.	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor
	Samuel W. Walker	Vice President

Clare M. Murphy — General Manager
Retirement System

RETIREMENT BOARD

SPECIAL MEETING

INVESTMENT CALENDAR

ITEM

1. ALTERNATIVE ASSET CONSULTANT INTERVIEWS

The following firms made presentations to the Retirement Board. The Board reviewed each of the firms' capabilities as potential Alternative Asset Consultants for the pension plan.

Bigler/Crossroads

Lewis, Bailey Associates

Pension Consulting Alliance

Rogers, Casey Associates

Abbott Capital Management

No Action was taken; this was an information item only.

There being no further business, the Board adjourned its meeting at 6:00 PM.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A tape recording was made of this meeting by Patricia Gillette

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TUESDAY, July 11, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor
	Joseph D. Driscoll	Commissioner

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, June 27, 1989 and Special Meeting, June 29, 1989

ACTION: Approved as Amended.

RETIREMENT BOARD

REGULAR MEETING

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 25-88

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Ludwig J. Herrmann $183.00

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Raymond Berndl $350.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Reginald Smith $8,000.00

4. HEARING OFFICER DECISION:

a. REQUEST FOR REHEARING

PAUL BELLAZAIN
9163 TRANSIT OPERATOR
ORDINARY DISABILITY RETIREMENT
EFFECTIVE DATE: JANUARY 21,1989 GRANTED

ACTION: It was moved by Ashe, seconded by Breall to adopt the Consent Calendar except for Item #3a; motion passed, 5-0

ACTION: It was moved by Ashe, seconded by Walker to excuse Commissioner Breall from voting on Consent Calendar Item #3a due to a potential conflict of interest; motion passed, 5-0.

ACTION: It was moved by Ashe, seconded by Mann to accept the Settlement of Disputed Claim in the case of Raymond Berndl; motion passed,4-0(Breall excused).

REGULAR CALENDAR

Item

1. REQUEST FOR APPROVAL FOR ONE STAFF TO ATTEND THE CORPORATE GOVERNANCE & SHAREHOLDER RESPONSIBILITY CONFERENCE ON SEPTEMBER 27 and 28, 1989 IN NEW YORK CITY:

Clare M. Murphy, General Manager presented a written and oral report to the Board on this item. The Board reviewed the request.

ACTION: It was moved by Ashe, seconded by Breall to approve staff's request to attend the Corporate Governance & Shareholder Responsibility Conference on September 27 and 28, 1989 in New York City; motion passed 5-0.

2. REQUEST FOR APPROVAL FOR BOARD MEMBERS AND STAFF TO ATTEND THE GLOBAL STRUCTURED INVESTING CONFERENCE ON SEPTEMBER 7 and 8, 1989 IN NEW YORK CITY:

Clare M. Murphy, General Manager presented a written and oral report to the Board on this item. The Board reviewed the request.

ACTION: It was moved by Ashe, seconded by Walker to approve the request for Board members and staff to attend the Global Structured Investing Conference on September 7 and 8, 1989 in New York City; motion passed, 5-0.

3. REPORT ON CHARTER AMENDMENTS FOR THE NOVEMBER 1989 BALLOT:

Kieran Murphy, Staff Actuary presented a written and oral report to the Board on the proposed Charter Amendments for the November 1989 Ballot. The Board engaged in a question and answer session with Mr. Murphy. The Board urged Mr. Murphy to inform the Rules Committee of the Board of Supervisors that the Retirement Board strongly urges the inclusion of a qualification process in the event the President of the Board should designate a citizen to serve on the Retirement Board. No action was taken on this item; this was an information item only.

6. HEARING OFFICER DECISION:

GUY A. MARKELL
H4 FIRE INSPECTOR
INDUSTRIAL DISABILITY RETIREMENT
EFFECTIVE DATE: December 17, 1988 DENIED

Dan Maguire, Deputy City Attorney presented a written and oral report to the Board on this item. The Board reviewed the case with Mr. Maguire.

ACTION: It was moved by Breall, seconded by Walker to accept the Hearing Officer Decision in the case of Guy Markell; motion passed 5-0.

5. REVIEW OF TRAVEL FORMS:

ACTION: This item was carried forward to the next regularly scheduled Board Meeting.

4. RETIREMENT BOARD ELECTION FOR THE TERM EXPIRING FEBRUARY 19, 1990:

Clare M. Murphy, General Manager and Pam Levesque, Executive Assistant presented a written and oral report on the proposed Retirement Board Election for the term expiring February 19, 1990. The Board reviewed the proposed schedule with the staff.

ACTION: It was moved by Walker, seconded by Mann to Declare the Retirement Board Vacancy for the Term expiring February 19, 1990, thus authorizing a Retirement Board Election; motion passed 5-0.

INVESTMENT CALENDAR

1. INDUSTRIAL ADVISOR SEARCH REPORT:

Terry Ahern from The Townsend Group discussed with the Board the Industrial Advisor Search. The Board revised their timetable for the Industrial Advisor presentations. A final report will be presented to the Board at the August 8, 1989 Board Meeting.

ACTION: No action was taken on this item; it was an information item only.

2. APARTMENT ADVISOR PRESENTATIONS:

The following firms made presentations to the Retirement Board. The Board reviewed each of the firms' capabilities as potential Apartment Advisors for the pension plan.

SENTINEL REAL ESTATE CORPORATION
METRIC INSTITUTIONAL REALTY ADVISORS
JMB INSTITUTIONAL REALTY CORPORATION
THE MIG COMPANIES

No action was taken on this item; it was an information item only.

NOTE: Commissioner Mann left during the MIG presentation

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Walker, seconded by Ashe to hear the Supplemental Calendar; motion passed, 4-0.

ITEM

1. HEARING OFFICER DECISION:

   a. Michael Coffey
      0380 - Inspector - Police
      Industrial Disability Retirement — Denied

   b. Paula A. Jones
      Q2 - Police
      Industrial Disability Retirement
      Effective Date: December 27, 1988 — Granted

   c. Ronald Kall
      H-20 Lieutenant-Fire
      Industrial Disability Retirement/Stipulation — Denied

   d. Lawrence Lee
      9163 - Transit Operator
      Ordinary Disability Retirement
      Effective Date: April 1, 1988 — Granted

   e. Michael J. Noethig
      H2- Firefighter
      Industrial Disability Retirement
      Effective Date: August 12, 1989 — Granted

2. Petition For Rehearing

   Joseph Carroll
   Q-2 Police Officer
   Determination — Denied

3. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Easteller Bruinl

ACTION: It was moved by Ashe, seconded by Breall to adopt the Supplemental Calendar except for Item #1b which will be carried forward to the August 8, 1989 Retirement Board meeting; motion passed, 4-0.

INVESTMENT CALENDAR Continued

3. CHIEF INVESTMENT OFFICERS' REPORT:

a. PROXY VOTES

Corporate Governance:			FOR	AGAINST
a.	Gerber Products Co.	1. Increase authorized common stock	4	0
b.	Amgen	1. Increased authorized common stocks	4	0

PUBLIC COMMENTS

GENERAL MANAGER'S REPORT

Clare M. Murphy, General Manager reported:

1. that Ken Shaffer will begin service as Chief Investment Officer on July 19, 1989;

2. that Supervisor Nancy Walker has called for hearings at the Finance Committee of the Board of Supervisors on the City Workers' Compensation System;

3. that the staff has been working as part of an advisory board with a coalition of the SF Chamber of Commerce and the Home Loan Bank Board to develop an affordable housing investment option which will meet public fund requirements.

EXECUTIVE SESSION

BOARD MEMBERS

There being no further business, the Board adjourned its meeting at 7:25 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

Note: A transcript was made of this meeting through Investment Calendar Item #1 Industrial Advisor Search Report by Court Reporter Theresa Becker. A tape recording was made by Patty Gillette of the Apartment Advisor Presentations and the remaining items.

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TUESDAY, August 8, 1989
12:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, July 11, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST - 2-89 and 3-89

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Jackie Center $3,040.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

George J. Curtiss $2,353.82

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Gary M. Fagundes $502.21

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Arthur Gibbs $807.28

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Walter E. Knight $1,322.08

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Jesse Lafear $2,080.99

g. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

James M. O'Shea $7,500.00

h. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Richard L. Perkins $1,693.15

i. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Anthony Ribera $1,221.00

j. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Yvonne Watson $5,146.26

k. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Brenda M. Williams $180.00

l. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Courtland Young $752.19

m. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Curtis D. Zachary $1,069.81

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

John E. Gallegos $17,991.87

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Joseph Gerusa $3,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Frederick J. Kennedy $3,800.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Frank Martin $20,000.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Frank J. Scalise $1,000.00

4. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY CLAIM AND COMPROMISE & RELEASE

William Guedet $15,000.00

5. a. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Richard Grove

b. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Alan S. Jones

6. HEARING OFFICER DECISIONS:

a. Jack Baar
9131 Station Agent MUNI
Ordinary Disability Retirement
Effective Date: July 1, 1989 — Granted

b. Robert J. Becker
2969 Assistant Director - Social Services
Ordinary Disability Retirement
Effective Date: May 30, 1989 — Granted

c. Janet Campbell
Q2 Police Officer
Industrial Disability Retirement
Effective Date: March 30, 1989 — Granted

d. Leroy F. Doyle
9163 Transit Operator MUNI
Ordinary Disability Retirement/Stipulation — Denied

e. Robert Hagen
9139 Transit Supervisor MUNI
Ordinary Disability Retirement
Effective Date: April 4, 1989 — Granted

f. Lloyd J. Harrison
9102 Transit Car Cleaner MUNI
Ordinary Disability Retirement
Effective Date: June 3, 1989 — Granted

g. Adam Lee Hutchins
0711 Teacher SFUSD
Ordinary Disability Retirement
Effective Date: May 1, 1989 — Granted

h. Carl W. Jackson
Q-50 Sergeant - POLICE
Industrial Disability Retirement
Effective Date: July 3, 1988 — Granted

i. John Ross
9163 Transit Operator MUNI
Ordinary Disability Retirement
Effective Date: March 1, 1989 — Granted

7. a. REQUEST FOR BIRTHDATE CORRECTION

Louise R. Josepn

ACTION: It was moved by Mann, seconded by Walker to adopt the Consent Calendar except for item #3d; motion passed, 5-0.

ACTION: It was moved by Ashe, seconded by Walker to excuse Commissioner Breall from voting on item #3d due to a potential conflict of interest; motion passed, 5-0.

NOTE: Commissioner Driscoll arrived at this time.

ACTION: It was moved by Walker, seconded by Ashe to accept the Settlement of Disputed Claim in the case of Frank Martin; motion passed, 5-0(Breall excused).

REGULAR CALENDAR

Item

1. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE PUBLIC SAFETY EMPLOYEES PENSION & BENEFIT CONFERENCE ON OCTOBER 16 - 19, 1989 IN PALM SPRINGS, CALIFORNIA.:

2. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE 1989 INTERNATIONAL FOUNDATION'S BENEFIT COMMUNICATIONS INSTITUTE ON OCTOBER 16-18, 1989 IN BOSTON, MASSACHUSETTS:

3. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE CAPITAL GUARDIAN TRUST COMPANY CLIENT SEMINAR, OCTOBER 18-20, 1989 IN PALM DESERT, CALIFORNIA:

4. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE IIR REAL ESTATE JOINT VENTURES CONFERENCE, SEPTEMBER 21-23 1989 IN SAN FRANCISCO, CALIFORNIA:

5. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE UTAH STATE RETIREMENT BOARD'S ANNUAL REAL ESTATE CONFERENCE NOVEMBER 4-8, 1989 IN ATLANTA, GEORGIA:

The above five travel requests were discussed as a group item by Clare M. Murphy, General Manager. A written and oral presentation was made on each item. The Board reviewed and discussed each of the requests.

ACTION: It was moved by Ashe, seconded by Breall to approve Regular Calendar items # 1-5; motion passed, 6-0.

6. REQUEST TO ADJUST RETIREMENT ALLOWANCE: (Requires Ballot Vote)

Charles E. Larson 50% to 71-1/2 %

Pam Levesque, Executive Assistant presented a written and oral report to the Board on this item. The Board reviewed and discussed the item.

ACTION: By a unanimous ballot vote, the Board agreed to increase the retirement allowance of Charles E. Larson from 50% to 71 1/2%; motion passed, 6-0.

7. REPORT ON CHARTER AMENDMENTS FOR THE NOVEMBER 1989 BALLOT:

Kieran Murphy, Staff Actuary presented a written and oral report to the Board on this item. The Board reviewed the report and engaged in a question and answer session with Mr. Murphy. A motion was made and suspended pending more information on each of the proposed Charter Amendments which will be presented at the next regularly scheduled Board meeting.

ACTION: No action was taken, this was an information item only.

8. REQUEST FOR ADOPTION OF RETIREMENT BOARD RESOLUTION HONORING PAUL F. DENNING:

9. REQUEST FOR ADOPTION OF RETIREMENT BOARD RESOLUTION HONORING RAYMOND WEISBERG, M.D.:

Regular Calendar items # 8 & 9 were presented and acted upon as a single item. Clare M. Murphy, General Manager presented written resolutions for the Retirement Board to adopt in honor of Paul F. Denning and Raymond L. Weisberg.

ACTION: It was moved by Ashe, seconded by Walker to adopt the Retirement Board Resolutions honoring Paul F. Denning and Raymond L. Weisberg; motion passed, 6-0.

10. REQUEST FOR DISMISSAL OF REINSTATEMENT APPLICATION:

Arthur Hudson

Pam Levesque, Executive Assistant presented a written and oral request to the Board to dismiss the reinstatement application of Arthur Hudson. The Board reviewed the case with Ms. Levesque.

ACTION: It was moved by Ashe, seconded by Mann to approve the request to dismiss the reinstatement application of Arthur Hudson; motion passed, 6-0.

11. REPORT ON FISCAL YEAR END 88/89 PERFORMANCE OF REVIEWCO (WORKERS' COMPENSATION BILL REVIEW CONTRACTORS):

Mike Lewis, Division Manager, Workers' Compensation presented a written and oral report to the Board on the year end performance of Reviewco for fiscal year 88/89. The Board reviewed the report with Mr. Lewis and engaged in a question and answer session with staff on this item.

ACTION: No action was taken on this item, it was an information item only.

12. REQUEST FOR ENDORSEMENT OF RETIREES BALLOT ARGUMENT FOR THE NOVEMBER 1989 BALLOT.

Clare M. Murphy, General Manager and David Benjamin, Deputy City Attorney presented a written and oral report to the Board. A representative from the Retirees Association was also present. The Board reviewed and discussed the request.

ACTION: No Action was taken, this was an information item only.

13. HEARING OFFICER DECISION:

Paula Jones
Q2 Police Officer
Industrial Disability Retirement
Effective Date: December 27, 1988 Granted

David Benjamin, Deputy City Attorney presented a written and oral report to the Board in the case of Paula Jones. The Board reviewed the case.

ACTION: It was moved by Driscoll, seconded by Mann to accept the Hearing Officer Decision in the case of Paula Jones; motion passed, 6-0.

INVESTMENT CALENDAR

1. REPORT AND RECOMMENDATION ON THE RESIDENTIAL ADVISOR SEARCH BY THE TOWNSEND GROUP:

Terry Ahern presented a written and oral report to the Board. The Board reviewed the report and recommendation on the Residential Advisor Search. The Board engaged in a question and answer session with staff and Mr. Ahern.

ACTION: It was moved by Ashe, seconded by Mann to hire Metric Institutional Realty Advisors to be the the Residential Advisor for $50 Million. Motion suspended due to ammendment which follows.

ACTION: It was moved by Driscoll, seconded by Ashe to amend the Ashe, Mann motion by adding the provision that Metric Institutional Realty Advisors be hired to manage a co-investment vehicle of $50 million; motion passed, 6-0.

ACTION: It was moved by Ashe, seconded by Mann to hire Metric Institutional Realty Advisors as a Residential Advisor to manage $50 million to be invested in a co-investment vehicle; motion passed, 6-0.

2. REPORT AND RECOMMENDATION ON THE FINALIST FOR AN INDUSTRIAL REAL ESTATE ADVISOR BY THE TOWNSEND GROUP:

Terry Ahern from the Townsend Group presented a written and oral report on the finalist for an Industrial Real Estate advisor. The Board reviewed and discussed the report with staff and Mr. Ahern.

ACTION: It was moved by Ashe, seconded by Driscoll to interview the following firms on September 12, 1989 to be considered for an Industrial Real Estate advisor for the pension fund: RREEF, Grubb and Ellis, Trident-Meyer Real Estate Advisors and AMB Institutional Realty Advisors; motion passed, 5-1, (Mann).

3. TOWNSEND GROUP PRESENTATION ON COLDWELL BANKER REAL ESTATE:

Terry Ahern from The Townsend Group, Ken Taymor, Special Assistant to the City Attorney, Ken Shaffer, Chief Investment Officer, and Clare M. Murphy, General Manager presented a written and oral report to the Board on Coldwell Banker Real Estate. The Board engaged in a questions and answer session with Staff and Mr. Ahern.

ACTION: It was moved by Ashe, seconded by Walker to direct staff, counsel, and consultant to request that:

1) Coldwell Banker secure independent appraisals of properties in Coldwell Banker Institutional Fund III after consulting with us concerning selection of an independent appraisor.

2) Coldwell Banker provide a written disposition plan for each property in Coldwell Banker Institutional Fund III.

3) Coldwell Banker provide bimonthly reports on disposition status (form to be provided by SFERS) and to notify the Limited Partners in Coldwell Banker Institutional Fund III of the actions 1-3 above and request that they consider making similar requests of Coldwell Banker; motion passed, 6-0.

4. PRESENTATION BY COLDWELL BANKER:

Representatives of Coldwell Bankers Real Estate presented a written and oral report to the Board on the status of Coldwell Bankers III, IV and VI. The Board reviewed and discussed with Coldwell Banker the issues regarding these properties.

ACTION: No action taken. This was an information item only.

5. ALTERNATIVE INVESTMENTS CONSULTANTS SELECTION:

Ken Shaffer, Chief Investment Officer and Gary Hiatt, Security Analyst presented a written and oral report to the Board on the alternative investment consultants selection. The Board reviewed and discussed the report and recommendation.

ACTION: It was moved by Ashe seconded by Walker to adopt the staff recommendation and hire Louis Bailey and Associates as an alternative investment consultant for the pension fund; motion passed, 6-0.

6. QUARTERLY INVESTMENT PERFORMANCE REPORT ON FIXED INCOME ASSETS FOR THE QUARTER ENDED JUNE 30, 1989:

Herb Meiberger, security analyst presented a written and oral report on the performance of the fixed-income assets for the quarter and year ending June 30, 1989. The Board reviewed and discussed the report.

ACTION: No action was taken, this was an information item only.

7. QUARTERLY INVESTMENT PERFORMANCE REPORT ON EQUITY ASSETS FOR THE QUARTER ENDED JUNE 30, 1989:

Carolyn Hamilton, Assistant Chief of Investments, presented a written and oral report on the performance of equity assets for the quarter and year ended June 30, 1989. The Board reviewed and discussed the report.

ACTION: No action was taken, this was an information item only.

8. REPORT ON TOTAL PORTFOLIO PERFORMANCE FOR THE QUARTER ENDED JUNE 30, 1989:

Ken Shaffer, Chief Investment Officer, presented a written and oral report on the performance of the total portfolio for the quarter and year ended June 30, 1989. The Board reviewed and discussed the report.

ACTION: No action was taken, this was an information item only.

9. REPORT AND RECOMMENDATION ON ASSET ALLOCATION FOR THE QUARTER ENDING OCTOBER 31, 1989:

Ken Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, presented a written and oral report to the Board on the Asset Allocation for the quarter ending October 31, 1989. The Board reviewed and discussed this report and recommendation.

ACTION: It was moved by Ashe, seconded by Walker to adopt the asset allocation recommended by staff for the quarter ending October 31, 1989; motion passed, 6-0.

10. CHIEF INVESTMENT OFFICER REPORT:

Ken Shaffer, Chief Investment Officer, reported:

A. There were no Proxies for this meeting.

B. He distributed the list of meetings held with outside firms for June and July, 1989.

C. Los Angeles County and the Kansas State pension plans have agreed to commit $100 million each as participants in the CORE Group Trust.

D. On an update prepared by the IRRC on McBride Principles activity in the California State Legislature.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Driscoll, seconded by Walker to hear the Supplemental Calendar; motion passed, 5-0 (Mann absent)

ITEM

1. HEARING OFFICER DECISION:

a. John J. Puccinelli
H20 Lieutenant - Fire
Industrial Disability Retirement
Effective Date: November 23, 1988 — Granted

b. Robert M. Rasmussen
Q2 Police
Industrial Disability Retirement
Effective Date: August 24, 1988 — Granted

1. Petition For Rehearing:

Ronald Kall
H-20 Lieutenant Fire
Industrial Disability Retirement — Denied

2. Petition For Rehearing:

Guy A. Markell
H4 Fire Inspector
Industrial Disability Retirement — Denied

2. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Patricia A. McMillon

3. REQUEST FOR BOARD MEMBERS AND STAFF TO ATTEND THE NON-TRADITIONAL INVESTMENT PLAN SPONSOR FORUM AT THE KINGSMILL RESORT AND CONFERENCE CENTER IN WILLIAMSBURG, VIRGINIA, SEPTEMBER 21-23, 1989.

ACTION: It was moved by Breall, seconded by Walker to adopt the Supplemental Calendar; motion passed, 6-0.

PUBLIC COMMENTS

GENERAL MANAGER'S REPORT

A. Clare M. Murphy, General Manager, reported:

1. St. Francis Hospital will host a luncheon for Board Members on September 12, 1989, individual invitations will be forthcoming.

2. Travel forms provided as part of packet to allow staff to better assist Board with travel plans.

3. Election notices have been distributed for Board vacancy effective February 20, 1990. Nomination period August 3rd. to 24th.

4. The Finance Committee of the Board of Supervisors conducted preliminary hearing on Workers Compensation issues on July 19, 1989. One issue addressed concerned the contract with St. Francis Hospital and the Franciscan Treatment Room.

5. Hartford has announced that the general account rate will decrease to 8.75% for contributions made Sept. 1, 1989 or later.

6. The Workers Compensation division is expected to move to 1155 Market Street by November 1, 1989.

7. The Council of Institutional Investors' Executive Committee will meet in SFERS Board Room on September 13, 1989.

EXECUTIVE SESSION

The Board met in Executive Session to discuss a litigation matter. The Board reconveyned in open session and announced that they had authorized and directed the City Attorney to negotiate a settlement in Riggs vs. the City and County of San Francisco which will be consistent with the City Attorney's recommendation.

There being no further business, the Board adjourned its meeting at 7:05 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Dawn McNamee

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8/29/89

MINUTES

RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

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TUESDAY, August 29, 1989
12:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, August 8, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 4-89

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

James K. Barron $1,424.11

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT

John A. Diluzio $747.51

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT

Carlos E. Hernandez $2,000.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT

Anderson Hill $3,229.34

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT

Phillip F. Leanio $1,128.58

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

William Firpo $22,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

William Groswird $10,000.00

4. HEARING OFFICER DECISION:

a. PAUL BELLAZAIN
9163 Transit Operator MUNI
Ordinary Disability Retirement Denied

b. DAISY BENNETT
2672 Assistant House Mother - SFUSD
Ordinary Disability Retirement
Effective Date: August 1, 1989 Granted

c. JEROME H. CASSIDY
Q2 Police Officer
Industrial Disability Retirement/Stipulation Denied

d. LILLIAN A. CHITMON
2903 - Eligibility Worker, SFGH
Ordinary Disability Retirement
Effective Date: February 1, 1989 Granted

e. MICHAEL J. CLEMENTS
7281 Street Cleaning Supervisor - DPW
Ordinary Disability Retirement
Effective Date: August 4, 1989 Granted

f. CHARLES L. CRAIN
7332 Maintenance Machinist - MUNI
Ordinary Disability Retirement
Effective Date: November 1, 1988 Granted

g. RICHARD CURTIS
1844 Senior Management Assistant - Police
Ordinary Disability Retirement
Effective Date: July 9, 1989 Granted

h. ALFRED FIORESI
H-10 Chief Aide - Fire
Industrial Disability Retirement
Effective Date: July 7, 1989 Granted

i. SYLVESTER KOCHE
7328 Operating Engr. - Airport
Ordinary Disability Retirement
Effective Date: January 1, 1989 Granted

j. GARY L. LINDLEY
H20 Lieutenant Fire
Industrial Disability Retirement/Stipulation
Effective Date: February 28, 1989 Granted

k. CHARLES L. MCCURTY
9163 Transit Operator MUNI
Ordinary Disability Retirement
Effective Date: November 1, 1988 Granted

l. RALPH P. MERRILLION, Jr.
H2 Firefigther
Industrial Disability Retirement/Stipulation
Effective Date: September 1, 1989 — Granted

m. THOMAS H. O'DOWD
8304 Deputy Sheriff
Industrial Disability Retirement
PERS — Granted

n. JOHN O. SWENSON
3417 Gardner - SFUSD
Ordinary Disability Retirement
Effective Date: August 1, 1988 — Granted

o. Petition for Reharing

Randolph Tyler
9126 Transit Traffic Checker - MUNI
Ordinary Disability Retirement — Denied

6. REQUEST FOR BIRTHDAY CORRECTION

Teodora L. Sarmiento

ACTION: It was moved by Ashe, seconded by Walker to adopt the Consent Calendar; motion passed, 6-0.

REGULAR CALENDAR

Item

1. REPORT ON CHARTER AMENDMENT FOR THE NOVEMBER 1989 BALLOT.

Kieran Murphy, Actuary, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff on this item.

ACTION: It was moved by Ashe, seconded by Walker to request staff to prepare a Board policy position with respect to Proposition N which the Board will vote on at the meeting of September 12, 1989; motion passed, 6-0.

2. REQUEST FOR AUTHORIZATION FOR HERB MEIBERGER, SECURITY ANALYST, TO ATTEND THE INSTITUTIONAL INVESTOR FIXED INCOME CONFERENCE, OCTOBER 26-27 1989 IN NEW YORK

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

ACTION: It was moved by Mann, seconded by Breall to approve the request for Herb Meiberger to attend the Institutional Investor Fixed Income Conference, October 26-27 in New York; motion passed, 6-0

3. REQUEST FOR AUTHORIZATION FOR GARY HIATT, SECURITY ANALYST, TO ATTEND THE ANNUAL VENTURE CAPITAL FORUM TO BE HELD OCTOBER 4-6, 1989 IN BOSTON.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item.

ACTION: It was moved by Ashe, seconded by Breall to approve the request for Gary Hiatt to attend the Annual Venture Capital Forum, October 4-6 in Boston; motion passed, 6-0

4. HEARING OFFICER DECISION

Mitchell Roberts Mignola
Q2 - Police
Industrial Disability Retirement
Effective Date: August 12, 1988 Granted

Dan Maguire, City Attorney, presented a written and oral report to the Board on this item.

ACTION: It was moved by Breall, seconded by Walker to request a rehearing in the Industrial Disability Retirement case of Mitchell Mignola; motion passed, 6-0.

INVESTMENT CALENDAR

1. QUARTERLY INVESTMENT PERFORMANCE REPORT BY CALLAN ASSOCIATES.

Barry Dennis, a representative from Callan Associates, presented a written and oral report to the Board. The Board reviewed the report and engaged in a question and answer session.

ACTION: No action was taken; this was an information item only.

2. INVESTMENT MANAGER REPRESENTATIONS:

The following firms made written and oral presentations to the Board on investment performance for the Quarter and Year ended June 30, 1989:

- MacKay Shields Financial Corporation
- Scudder, Stevens & Clark, Inc.
- Capital Guardian Trust Co.
- Hanson Investment Management Co.
- McCullough, Andrews & Cappiello

The representatives discussed economic conditions and investment performance. The Board reviewed and discussed the presentations with each of the firm representatives.

ACTION: No action was taken; this was an information item only.

3. REQUEST FOR ADDITIONAL PARTICIPATION IN IRRC.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board. The Board reviewed the request for additional participation in IRRC with Mr. Shaffer and staff.

ACTION: It was moved by Driscoll, seconded by Ashe to accept staff's recommendation for additional participation in IRRC; motion passed, 6-0

4. CHIEF INVESTMENT OFFICERS' REPORT:

The Chief Investment Officer reported:

a. There were no Proxys for this meeting.

b. The Stocks and Bond markets were relatively slow as it is expected during August.

c. The "Core Group Trust" has made its first acquisition. The location is on Madison and 57th in New York City. Further information will be presented to the Board as it develops.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported:

1 Supervisor Walker's Hearings on Workers Compensation, the Second Hearing is schedule on August 30, 1989.

2. St. Francis Hospital has invited the Board members and Senior Staff to a luncheon on Sept. 12, 1989, from 11:30 to 1:00. Space will be available for the Board in the parking lot.

3. "Labor Day" Conference on Sept. 6, 1989 will be at the Public Auditorium of Health Commission building, 101 Grove Street. There has been a good response from labor organizations to attend. Board members are invited as well.

4. There are twelve (12) nominees for the Retirement Board Election. An orientation will be conducted by Pam Levesque on September 8, 1989, at 11:00 a.m.

5. Travel Forms being submitted to the Board should be returned even if Board members do not wish to attend an event.

NOTE: Commissioner Sam Walker congratulated the Staff for the format on the Annual Statements and for the early delivery this year.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Driscoll, seconded by Walker to hear the Supplemental Calendar; motion passed, 6-0.

ITEM

1. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

   a. Lorraine M. Dy Foon

   b. Michael Ward

2. HEARING OFFICER DECISIONS:

a. Patricia Sparks
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: May 27, 2989 Granted

b. Jeremy Zatkin
Q2 Police Department
Industrial Disability Retirement

3. REQUEST FOR BIRTHDATE CORRECTION

a. Carrie E. Kelly

b. Kay N. Wong

ACTION: It was moved by Breall, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 6-0.

There being no further business, the Board adjourned its meeting at 6:55 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Dawn McNamee, and a tape recording was made by Pam Levesque.

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RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, September 12, 1989

12:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
Absent:	Bill Maher	Supervisor
	Maurice Mann	Commissioner

Clare M. Murphy — General Manager, Retirement System

MINUTES: Minutes of Regular Meeting, August 29, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 5-89

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Bernard Davey $1,400.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Dolores Oviedo $25,000.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Freddie Smith $7,500.00

3. HEARING OFFICER DECISION:

a. Richard Bruckman
7344 - Carpenter - Water Dept., PUC
Ordinary Disability Retirement Denied

b. David Fay
Ordinary Disability Retirement
7379 - Electrical Transit Mechanic - MUNI
Effective Date: May 4, 1989 Granted

c. Charles A. Frye
Ordinary Disability Retirement
9139 Transit Supervisor
Effective Date: July 1, 1989 Granted

ACTION: It was moved by Driscoll, seconded by Breall to adopt the Consent Calendar; motion passed, 5-0.

REGULAR CALENDAR

1. REQUEST TO AMEND THE DEFERRED COMPENSATION PLAN DOCUMENT.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff on this item.

ACTION: It was moved by Walker, seconded by Breall to approve the request to amend The Deferred Compensation Plan Document; motion passed, 5-0.

2. REQUEST TO AMEND ORDINANCE FOR MEMBERSHIP IN ORGANIZATIONS FOR THE EMPLOYEES' RETIREMENT SYSTEM:

Rudolph Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff on this item.

ACTION: It was moved by Walker, seconded by Driscoll to approve the request to amend the ordinance for membership in organizations for the Employees' Retirement System; motion passed, 5-0.

3. REQUEST TO INCLUDE INFORMATION IN RETIREES WARRANT ENVELOPE:

Rudolph Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Walker to approve the request to insert one piece of paper and one additional sheet in the Retirees' pension check for the Annual Charities Campaign; motion passed, 5-0.

4. REQUEST FOR DESTRUCTION OF RECORDS FROM HETCH HETCHY WATER AND POWER:

Rudolph Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Breall to approve the request from Hetch Hetchy Water and Power to destroy some of their old records; motion passed, 5-0.

5. CONSIDERATION OF POLICY STATEMENT ON PROPOSITION N:

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the proposed policy statement on Proposition N and to remove Bullet #3 from the statement; motion failed, 3 - 2. (Breall, Walker) Legislative motions need five (5) affirmative votes to pass.

It was moved by Breall, seconded by Walker to adopt the proposed policy statement on Proposition N as a whole; motion passed, 5-0.

ACTION: It was moved by Breall, seconded by Walker to adopt the proposed policy statement on Proposition N as a whole; motion passed, 5 - 0.

It was moved by Driscoll, seconded by Breall to communicate the policy statement on Proposition N to policy making Boards and Editorial Boards in the City; motion passed, 5-0.

6. REQUEST FOR AUTHORIZATION FOR STAFF AND BOARD MEMBERS TO ATTEND THE GLOBAL ASSET ALLOCATION CONFERENCE TO BE HELD FROM OCTOBER 4 TO 7, 1989, IN CARMEL, CALIFORNIA.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item.

ACTION: It was moved by Ashe, seconded by Walker to approve authorization for Staff and Board Members to attend the Global Asset Allocation Conference on October 4 to 7, 1989, in Carmel, California; motion passed, 5 -0.

7. REQUEST TO WITHDRAW FUNDS FROM THE DEFERRED COMPENSATION PLAN:

Helen Johnson

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff on this item.

ACTION: It was moved by Driscoll, seconded by Walker to accept the staff recommendation to deny the request to withdraw funds from the Deferred Compensation Plan for Helen Johnson; motion passed, 5-0.

8. REQUEST TO AMEND INDUSTRIAL DISABILITY RETIREMENT APPLICATION FOR EARL STEWART:

Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with staff.

ACTION: It was moved by Ashe, seconded by Breall to approve the request to amend the Industrial Disability Retirement application for Earl Stewart; motion passed, 5-0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivison(a).

ACTION: It was moved by Driscoll, seconded by Walker to hear the Supplemental Calendar; motion passed, 5-0.

1. HEARING OFFICER DECISION:

   Richard Abrahamsen
   7355 - Truck Driver, Recreation and Park
   Ordinary Disability Retirement
   Effective Date: February 1, 1989 Granted

2. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION

   a. Oscar Bernardino

   b. Sam Love

   ACTION: It was moved by Breall, seconded by Driscoll to adopt the Supplemental Calendar; motion passed, 5-0.

INVESTMENT CALENDAR

5. CHIEF INVESTMENT OFFICERS' REPORT:

   The Chief Investment Officer reported:

   a. PROXY VOTES

	For	Against
Shareholder Proposal of ConAgra Inc. to increase common shares.	5	0

   b. Distributed a list of meetings held by Investment Division during the month of August, 1989.

   c. Discussed information about change of ownership and name from First Chicago Investment Advisors to Brinson Associates Inc.

1. INDUSTRIAL REAL ESTATE ADVISOR PRESENTATIONS:

   Terry Ahern from The Townsend Group presented a oral report to the Board on this item. The Board reviewed the question of inviting additional mega managers for Industrial Real Estate.

ACTION: It was moved by Driscoll, seconded by Ashe to suspend the discussion of inviting additional mega managers for Industrial Real Estate until after the presentations are made; motion passed, 5-0.

Presentations were made to the Board by:

AMB Institutional Realty Advisors
The RREEF Organization
Grubb & Ellis Realty Advisers
Trident / Meyer Real Estate Advisors

Representatives from each firm made written and oral presentations to the Board on the services they can provide as Industrial Real Estate Advisors to the San Francisco Employees' Retirement Trust Fund. The Board engaged in a question and answer session with each firm.

ACTION: No action was taken on these presentations; this was an information item only.

The Retirement Board then resumed the discussion on the potential of interviewing an additional mega manager for Industrial Real Estate.

ACTION: It was moved by Ashe, seconded by Walker to direct staff and the System's Real Estate Consultant if possible to recommend additional Industrial Real Estate mega managers who might have a national presence for interviews; motion passed, 3-2 (Gibson, Breall).

4. REQUEST FOR EXCLUSION OF SPECIFIC SECURITIES FROM THE RETIREMENT SYSTEM'S RESTRICTED LIST OF COMPANIES DOING BUSINESS IN SOUTH AFRICA.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: It was moved by Driscoll, seconded by Ashe to accept the investment managers' recommendations and accept the exclusions of specific securities from the restricted list of companies doing business in South Africa except for Harnischfeger Ind.; motion suspended for the following amendment:

ACTION: It was moved by Ashe, seconded by Breall to amend the above Action and include the Varity Corporation to the exceptions of the managers' recommendations; motion passed, 5-0.

ACTION: It was moved by Driscoll, seconded by Ashe to accept the investment managers' recommendation and accept the exclusions of specific securities from the restricted list of companies doing business in South Africa except for Harnischfeger Ind. and the Varity Corporation; motion passed 4-1 (Walker).

NOTE: Commissioner Driscoll left the meeting at this time.

2. STAFF QUARTERLY REPORT ON THE EXTERNAL INTERNATIONAL EQUITY MANAGERS FOR THE QUARTER AND YEAR ENDED JUNE 30, 1989:

Carolyn Hamilton, Assistant Chief of Investments, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with staff.

ACTION: No action was taken; this was an information item only.

3. STAFF QUARTELY REPORT ON THE EXTERNAL INTERNATIONAL FIXED INCOME MANAGERS FOR THE QUARTER AND YEAR ENDED JUNE 30, 1989:

Mark Coleman, Security Analyst, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: No action was taken; this was an information item only.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported to the Board:

1. The General Manager and Board Members reviewed the forward Retirement Board Schedule through the end of the Calendar Year. The General Manager distributed a new schedule.

   It was agreed to cancel the December 26, 1989, meeting.

2. The presentation by Staff for the Labor organizations was well attended and well received. A similar presentation for Department Heads and Personnel Officers will be held in early December, 1989.

3. Distributed articles from the Los Angeles Times and the San Francisco Chronicle on IFE Trips and the Public Employees Retirement Fund.

4. A briefing of the Retirement Board Election and Retirement Board Member responsibilities was held with the twelve (12) candidates on Friday September 8, 1989.

5. The Council of Institutional Investors is holding the Executive Board meeting on September 13, 1989 in the Retirement Board room.

6. Workers Compensation Hearings. Hearings have been cancelled and rescheduled for September 20, 1989. An update will be presented at the next Retirement Board Meeting.

There being no further business, the Board adjourned its meeting in recognition of Robert W. Burns for 14 yrs. of dedicated service to the San Francisco Employees' Retirement System. Meeting adjourned at 6:55 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker.

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9/26/89

MINUTES

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RETIREMENT BOARD
CITY AND COUNTY OF SAN FRANCISCO
1155 Market Street, Second Floor, San Francisco

TUESDAY, September 26, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor
	Peter D. Ashe	Commissioner

Clare M. Murphy — General Manager, Retirement System

MINUTES: Minutes of Regular Meeting, September 12, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 6-89.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Martha A. Gamble $5,690.00

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Loroi Ivy $4,552.15

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Denna Nielsen $5,235.22

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Kenneth Troche $12,500.00

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Sopheap Ul $288.94

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Donald Edward Reed $32,500.00

3. HEARING OFFICER DECISION:

a. Ralph Dixon
7514 - Laborer, DPW
Ordinary Disability Retirement
Effective Date: February 28, 1989 Granted

4. PETITION FOR REHEARING

a. Leroy F. Doyle
9126 Transit Traffic Checker - MUNI
Ordinary Disability Retirement/Stipulation Denied

b. Mitchell Mignola
Q2 Police - Police Dept.
Industrial Disability Retirement Denied

5. REQUEST TO WIDHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Linda Fields

ACTION: It was moved by Breall, seconded by Walker to adopt Consent Calendar Items # 1 through 5, except for Item 2f; motion passed, 5-0.

ACTION: It was moved by Breall, seconded by Walker to adopt Consent Calendar Item 2f; motion passed, 5-0.

REGULAR CALENDAR

2. REPORT ON CHARTER AMENDMENTS FOR THE NOVEMBER 1989 BALLOT.

Kieran Murphy, Staff Actuary, presented a written an oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session with Mr. Murphy and Clare M. Murphy, General Manager.

ACTION: It was moved by Driscoll, seconded by Walker to support Proposition I; motion passed, 5-0.

ACTION: It was moved by Mann, seconded by Breall to oppose Propsition H; motion considered and withdrawn.

ACTION: It was moved by Mann, seconded by Breall to oppose Propsition H; motion fails, 4- 1 (Walker). Board action on legislation requires five (5) affirmative votes.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Mann to hear the Supplemental Calendar; motion passed, 5 - 0.

ITEM

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Yao Ming Pan $27,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Elsie O. Noceti $8,000.00

2. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Jane Hawthorne

b. Nathaniel Winston

ACTION:

ACTION: It was moved by Breall, seconded by Walker to adopt the Supplemental Calendar; motion passed, 5 - 0.

REGULAR CALENDAR

1. DEFERRED COMPENSATION PRESENTATION BY THE HARTFORD COMPANY.

Pam Levesque, Executive Assistant, and Pat Kalasardo, Area Vice President from the Hartford Company, presented a written an oral report to the Board on this item. The Board reviewed and discussed the item with staff and engaged in a question and answer session with staff.

ACTION: No action was taken on this item. This was an information item only.

3. PRESENTATION OF 1988-1989 RETIREMENT SYSTEM'S ANNUAL REPORT.

Pam Levesque, Executive Assistant, presented a written an oral report to the Board on this item. The Board reviewed and discussed the report with staff. The Annual Report will be presented for final adoption at a future Board meeting.

ACTION: No action was taken on this item. This was an information item only.

4. REQUEST FOR AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE 35TH ANNUAL EMPLOYEE BENEFITS CONFERENCE ON NOVEMBER 10-15, 1989 IN ORLANDO, FLORIDA:

Clare M. Murphy, General Manager presented a written and oral report to the Board on this item. The Board reviewed the request.

ACTION: It was moved by Breall, seconded by Mann to approve the request for Board members and staff to attend the 35th Annual Employee Benefits Conference on November 10-15, 1989 in Orlando, Florida; motion passed, 5 - 0.

INVESTMENT CALENDAR

1. RECOMMENDATION FOR INDUSTRIAL REAL ESTATE PRESENTATION.

   Ken Shaffer, Chief Investment Officer, presented a written an oral report to the Board on this item. The Board reviewed the recommendation.

   ACTION: It was moved by Driscoll, seconded by Breall to adopt the Staff recommendation and to interview the three recommended firms at the next Board meeting, October 10, 1989; motion passed, 5 - 0.

2. CHIEF INVESTMENT OFFICER'S REPORT.

   The Chief Investment Officer reported:

a. PROXY VOTES	For	Against
Shareholder Proposal of Procter and Gamble - To increase number of common stock shares to one (1) billion.	5	0
- To use Integrated Pest Management on all agricultural products sold by the company.	3	2

GENERAL MANAGER REPORT

The General Manager reported:

1. The Mayor's Fiscal Advisory Committee is still reviewing the Retirement System. Updates will be fowarded when information is received.

2. The Finance Committee has still not reconveyned the to consider Worker's Compensation Program. The matter has been put over to the call of the Chair.

3. The Workers Compensation Reform legislation was passed on 9/22/89. An analysis is being prepared and will be discussed with the Board not later than the October 31st Board Meeting.

4. The Government Operations Committee has passed out to the Board of Supervisors the pieces of Legislation on the Tax Qualification of the Pension Plan and Pre-Tax Treatment of Member contributions of pension monies. The Board of Supervisors should adopt the Legislation on 10//3/89. This legislation will then go into effect January 1990.

There being no further business,
the Board adjourned its meeting
at 3:35 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting
by Court Reporter: Dawn McNamee.

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MINUTES

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TUESDAY, October 10, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, September 26, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 7-89.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Reginald T. Gage $3,251.04

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Warren Omholt $3,000.00

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Joean N. Wright $1,782.88

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Irmgard Loger/Herman Loger $1,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Lessie Nelms $14,500.00

4. HEARING OFFICER DECISION:

JAMES A. RYAN Granted
Deputy Chief - Police Dept.
Petition of Clarification Award
Effective Date: January 17, 1984

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Leland Batara

ACTION: It was moved by Breall, seconded by Driscoll to adopt the Consent Calendar Items # 1 through 5; motion passed, 4-0.

REGULAR CALENDAR

1. REQUEST FOR AUTHORIZATION FOR STAFF TO ATTEND THE COUNCIL OF INSTITUTIONAL INVESTORS SEMI-ANNUAL MEETING ON NOVEMBER 1-3, 1989, IN NEW YORK.

   Clare Murphy, General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the request.

   ACTION: It was moved by Ashe, seconded by Breall to adopt the request for staff to attend the Council of Institutional Investors Semi-Annual Meeting on November 1-3, 1989, in New York; motion passed, 4-0.

2. PRESENTATION OF 1988-1989 RETIREMENT SYSTEM'S ANNUAL REPORT.

   Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff.

   ACTION: It was moved by Breall, seconded by Driscoll to approve the 1988-1989 Retirement System's Annual Report; motion passed, 4-0.

INVESTMENT CALENDAR

4. CHIEF INVESTMENT OFFICER'S REPORT

   The Chief Investment Officer reported:

   a. Proxy Votes

	For	Against
Shareholder Proposal of Applied Biosystems to increase the number of authorized common stocks.	6	0

NOTE: Commissioner Walker arrived during the discussion of the Proxy issue.

   b. U.S. Companies Doing Business in South Africa

      Ken Shaffer, Chief Investment Officer, distributed to the Board for their information a current list of U.S. Companies Doing Business in South Africa.

   c. Summary of the 1988 - 1989 Proxy Votes

      Ken Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, discussed the summary of the 1988-1989 Proxy season and reviewed how the Retirement Board has voted on this seasons' proxy issues.

NOTE: Commissioner Mann arrived during the discussion on the summary of the proxy votes during the 1988-1989 season.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported:

1. The Retirement Board proposed Legislation on 414h2 and 415 Tax Treatment for the pension plans passed at the Board of Supervisors meeting on 10/2/89, with an 11-0 vote. The provision will go into effect in January 1990 and will be effective for all City employees. There is a separate Memorandum of Understanding for the Transport Workers on this issue. A separate resolution for PERS will be submitted in the future.

2. The lease was passed for the Workers Compensation Division at the Government Operations Committee at the 10/10/89 meeting. Workers Compensation should be moving to 1155 Market by the end of the year.

3. The forward Retirement Board scheduled was mailed to Board members. A discussion of the schedule revealed that the 11/18/89 meeting will not have a quorum and the meeting will be rescheduled for 11/21/89. a new revised forward schedule will be mailed out.

INVESTMENT CALENDAR

1. INDUSTRIAL REAL ESTATE ADVISOR PRESENTATIONS

Representatives from The Prudential Realty Group, Equitable Real Estate Investment Management Inc., and McMahan Real Estate Advisors Inc. presented a written and oral reports to the Board on the services they could provide to the Retirement System for Industrial Real Estate Advisor.

ACTION: No action was taken on this item. This was an information item only.

EXECUTIVE SESSION

The Board went into Executive Session to discuss a litigation issue. The Board reconveyned in open session and announced no action had been taken during Executive Session.

3. INDUSTRIAL REAL ESTATE RECOMMENDATION

Ken Shaffer, Chief Investment Officer, Terry Ahern and Kevin Lynch from The Townsend Group presented an oral report to the Board on the industrial real estate recommendation. The Board reviewed and discussed the recommendation and engaged in a question and answer session with the staff.

ACTION: It was moved by Driscoll, seconded by Ashe to excuse Commissioner Mann from voting on Investment Calendar Item #3; motion passed, 6-0.

ACTION: It was moved by Walker, seconded by Breall to approve the staff and Consultants recommendation to hire RREEF to manage a separate account of 50 million dollars as an Industrial Real Estate Advisor; motion passed, 5 - 0 (Mann abstained).

2. Real Estate Quarterly Performance Report

Terry Ahern and Kevin Lynch from The Townsend Group and Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with Mr. Ahern, Mr. Lynch and staff.

ACTION: No action was taken on this item. This was an information item only.

There being no further business, the Board adjourned its meeting at 5:05 p.m.

Respectfully submitted.

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Christy Clarke.

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TUESDAY, October 31, 1989
1:30 P.M.

Present:	Bonnie K. Gibson	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
Absent:	Bill Maher	Supervisor
	Maurice Mann	Commissioner
	Samuel W. Walker	Vice President

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, October 10, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Alfred Aicardi $2,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Mardine Parker $5,115.00

c. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Pascual Regis $1,000.00

d. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Ray M. Shepard $15,000.00

e. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Lawrence P. Williams $15,500.00

f. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Linda J. Zimmerman $2,734.00

2. HEARING OFFICER DECISION:

a. Ruth Broeski
Deputy Sheriff
Industrial Disability Retirement
PERS Granted

b. Robert E. Dagitz
0380 Inspector - Police
Industrial Disability Retirement/Stipulation
Effective Date: January 28, 1988 Granted

c. James Gervasi
Q-2 Police
Industrial Disability Retirement
Effective Date: November 17, 1989
- Stress Granted
- Disability to Left Arm Denied

3. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Monica L. Fields

ACTION: It was moved by Ashe, seconded by Driscoll to adopt the Consent Calendar; motion passed, 4 - 0.

REGULAR CALENDAR

1. EXPERIENCE ANALYSIS OF ECONOMIC ASSUMPTIONS.

Bill Smith, Consulting Actuary from Milliman & Robertson, Inc., and Kieran Murphy, Staff Actuary, presented a written and oral report to the Board on this item. The Board reviewed and discussed the analysis.

ACTION: It was moved by Driscoll, seconded by Breall to adopt the economic assumptions as recommended by the actuaries; motion passed, 4 - 0.

2. QUARTERLY (7/1/89 - 9/30/89) REVIEW OF PERFORMANCE OF REVIEWCO (Workers' Compensation Bill Review Contractors)

Mike Lewis, Division Manager Workers' Compensation, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff.

ACTION: No action was taken on this item. This was an information item only.

3. REQUEST TO ADOPT A SPECIAL PROCEDURE FOR HARDSHIP WITHDRAWALS FOR EARTHQUAKE RELATED REQUESTS.

Pam Levesque, Executive Assistant, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: It was moved by Breall, seconded by Driscoll to approve the request to allow staff to grant Deferred Compensation hardship requests related to the Earthquake; motion passed, 4 - 0.

4. WORKERS' COMPENSATION LEGISLATIVE REFORM EFFECTIVE JANUARY 1, 1990.

Mike Lewis, Division Manager Workers' Compensation, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: No action was taken on this item. This was an information item only.

5. PROJECTED COSTS ASSOCIATED WITH THE WORKERS' COMPENSATION REFORM EFFECTIVE JANUARY 1, 1990.

Mike Lewis, Division Manager Workers' Compensation, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: No action was taken on this item. This was an information item only.

6. HEARING OFFICER DECISION:

Douglas W. Hosea
Q-2 Police
Determination
Effective Date: July 9, 1988 Granted

Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on the Douglas Hosea Hearing Officer decision. Mr. Maguire recommended petitioning for rehearing of the case because the facts do not support the hearing officer's decision. The Board discussed the case with Mr. Maguire.

ACTION: It was moved by Breall, seconded by Ashe to approve the request for rehearing in the case of Douglas Hosea.; motion passed, 3 - 1 (Driscoll).

INVESTMENT CALENDAR

1. ALTERNATIVE INVESTMENTS SECTOR DESCRIPTIONS

Gary Hiatt, Security Analyst, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item with staff.

ACTION: No action was taken on this item. This was an information item only.

2. CHIEF INVESTMENT OFFICER'S REPORT

The General Manager, Clare M. Murphy, reported for the Chief Investment Officer:

a. Proxy Vote

Shareholder Proposal	For	Against
- Quaker Oats Company, change from 80% majority shareholder approval to 2/3rds majority approval with regards to a change in ownership control.	4	0
- Coastal Corporation, increase the number of authorized shares outstanding.	4	0

b. Distributed a list of meetings held by the Investment Division Staff for the month of October 1989.

c. Alerted the Board that consideration of a unique opportunity for retail real estate investment will be considered at the November 14 meeting.

d. A second property for CORE located in San Francisco is being investigated by Lehndorf & Babson. More information will be submitted at the November 14 meeting.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Ashe to hear the Supplemental Calendar; motion passed, 4 - 0.

ITEM

1. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

Arnulfo Felin

2. PETITION FOR REHEARING:

Jerome H. Cassidy
Q2 Police Officer
Industrial Disability Retirement/Stipulation Denied

ACTION: It was moved by Ashe, seconded by Breall to adopt the Supplemental Calendar; motion passed, 4 - 0.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported:

1. Earthquake update: there were very few significant injuries. Only one death of a city employee and one injury to a Social Worker - both on I 880. One stress claim has been filed also. We are keeping track of expenses related to earthquake. St. Francis Hospital and Franciscan Treatment Room functioned throughout the earthquake emergency.

2. The build-out has begun on the third floor of 1155 Market St. We still hope to move the Workers Compensation Division by Christmas.

EXECUTIVE SESSION

The Retirement Board met in Executive Session to discuss a litigation matter with the General Manager and the Deputy City Attorney. The Board returned to open session and announced that they approved the Deputy City Attorney's recommendation in the case of Patrick Geoghegan and they had discussed two other litigation matters on which they took no action.

There being no further business, The Board adjourned its meeting in recognition of all city employees who performed exemplary service to care for the lives and property of San Francisco during the emergency caused by the Earthquake of October 17, 1989. The meeting was adjourned at 4:15 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Susan Reinhardt.

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TUESDAY, November 14, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
	Maurice Mann	Commissioner
Absent:	Bill Maher	Supervisor
	Samuel W. Walker	Vice President

Clare M. Murphy — General Manager
Retirement System

MINUTES: Minutes of Regular Meeting, October 31, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 8-89.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Donald R. Jones $1,435.26

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Nancy A. Russell $3,021.18

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Billy H. Tillman $8,500.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Albert Ventroy $364.30

e. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Yakov A. Vishnevsky (DOI 5/2/88) $72.00

f. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Yakov A. Vishnevsky (DOI 12/29/86) $1,874.41

3. HEARING OFFICER DECISION:

a. Jen N. Lam
9163 Transit Operator
Ordinary Disability Retirement
Effective Date: November 18, 1989, Granted

b. Milton Macklin
3284 Recreation Director - Park & Rec Dept.
Ordinary Disability Retirement/Stipulation
Effective Date: September 30, 1989, Granted

c. Jeannette D. Miller
Teacher - SFUSD
Ordinary Disability Retirement
Effective Date: October 1, 1989, Granted

4. PETITION FOR REHEARING:

Richard Bruckman
7344 Carpenter - Water Department, PUC
Ordinary Disability Retirement
Effective Date: December 1, 1988 Denied

5. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN

Guy E. Crouch

ACTION: It was moved by Breall, seconded by Driscoll to adopt the Consent Calendar; motion passed, 4 - 0.

NOTE: Commissioner Mann arrived at this time.

REGULAR CALENDAR

1. REQUEST FOR AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE ECONOMICALLY TARGETED INVESTING SEMINAR ON JANUARY 22-24, 1990, IN SANTA BARBARA, CALIFORNIA:

Clare M. Murphy, General Manager presented a written and oral report to the Board on this item. The Board reviewed and discussed the request.

ACTION: It was moved by Driscoll, seconded by Ashe to approve the request for Board members and staff to attend the Economically Targeted Investing Seminar on January 22-24, 1990 in Santa Barbara, California; motion passed, 5 - 0.

2. REQUEST FOR AUTHORIZATION FOR BOARD MEMBERS AND STAFF TO ATTEND THE 12TH ANNUAL REAL ESTATE AND ECONOMIC SYMPOSIUM ON DECEMBER 12, 1989 IN SAN FRANCISCO, CALIFORNIA:

Clare M. Murphy, General Manager presented a written and oral report to the Board on this item. The Board reviewed and discussed the request.

ACTION: It was moved by Ashe, seconded by Driscoll to approve the request for Board members and staff to attend the 12th Annual Real Estate and Economic Symposium on December 12, 1989 in San Francisco, California; motion passed, 5 - 0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Mann, seconded by Ashe to hear the Supplemental Calendar; motion passed, 5 - 0.

ITEM

1. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Steven J. Mulkeen $47.60

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Thomas Murphy $293.39

2. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Sandrien Boyce $4,500.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Florence J. Comeaux $3,500.00

ACTION: It was moved by Mann, seconded by Breall to adopt the Supplemental Calendar items 1a, 1b, and 2a; motion passed, 5 - 0.

ACTION: It was moved by Driscoll, seconded by Mann to excuse Dr. Breall from voting on Supplemental Item 2b because he served as medical examiner; motion passed, 5 -0.

ACTION: It was moved by Mann, seconded by Driscoll to approve item 2b; motion passed, 4 - 0 (Breall excused)

INVESTMENT CALENDAR

1. STAFF REPORT ON THE PERFORMANCE OF INTERNAL AND EXTERNAL FIXED INCOME MANAGERS FOR THE PERIOD ENDED SEPTEMBER 30, 1989.

Ken Shaffer, Chief Investment Officer, and Herb Meiberger, Security Analyst, presented a written and oral report to the Board on this item.

ACTION: No action was taken on this item. This was an information item only.

2. STAFF REPORT ON THE PERFORMANCE OF INTERNAL AND EXTERNAL EQUITY INCOME MANAGERS FOR THE PERIOD ENDED SEPTEMBER 30, 1989.

Ken Shaffer, Chief Investment Officer, and Carolyn Hamilton, Assistant Chief Investment Officer, presented a written and oral report to the Board on this item.

ACTION: No action was taken on this item. This was an information item only.

3. TOTAL PORTFOLIO PERFORMANCE REVIEW FOR THE PERIOD ENDED SEPTEMBER 30, 1989.

Ken Shaffer, Chief Investment Officer, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff and reviewed and discussed the item.

ACTION: No action was taken on this item. This was an information item only.

6. RETAIL REAL ESTATE PRESENTATION.

Ken Shaffer, Chief Investment Officer, and Darla Flanagan and Stephen Brewster of JMB Institutional Realty, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with JMB representatives and staff.

ACTION: It was moved by Driscoll, seconded by Breall to commit $10 million to the Stoneson Development Investment contingent upon staff, The Townsend Group and JMB representatives securing a post October 17, 1989 seismic report and summary financial analysis; and further noting that JMB reported that they will maintain or increase all services to commercial and residential tenants and work with current workforce and their labor representatives; motion passed, 5 - 0.

5. ALTERNATIVE INVESTMENT STATEMENT OF POLICY, PROCEDURES AND SCHEDULE.

Alicia Cooney, from Lewis Bailey and Associates; Ken Shaffer, Chief Investment Officer; and Gary Hiatt, Security Analyst, presented a written and oral report to the Board on objectives and guidelines for investments in Alternative Assets. The Board engaged in a question and answer session with staff.

ACTION: It was moved by Driscoll, seconded by Ashe to adopt the statement of objectives and guidelines for investments in Alternative Assets; motion passed, 5 - 0.

8. CHIEF INVESTMENT OFFICER'S REPORT.

The Chief Investment Officer reported to the Board:

a. Ken Taymor, Special Assistant to City Attorney, presented an oral presentation on the contract negotiations with RREEF and METRIC. Mr. Taymor also discussed with the Board the use of title holding entities to further insulate the pension fund from liability arising from direct real estate investments.

b. Distributed list of meetings held in October, 1989.

c. Morgan Grenfell may be subjected to a take over offer. Ken Shaffer, Chief Investment Officer, discussed the implication of this take over with the Board. Mr. Shaffer will keep the Board informed as developments occur.

4. STAFF RECOMMENDATION ON ALLOCATION OF FUNDS FOR THE PERIOD ENDING JANUARY 31, 1990.

Ken Shaffer, Chief Investment Officer, and Mark Coleman, Security Analyst, presented a written and oral report to the Board on this item. The Board reviewed and discussed the item and engaged in a question and answer session.

ACTION: It was moved by Driscoll, seconded by Mann to accept staff recommendation on the Allocation of Funds for the period ending January 31, 1990; motion passed, 5 - 0.

7. MACBRIDE PRINCIPLES UPDATE.

Mark Coleman, Security Analyst, presented a written and oral report to the Board on this item.

ACTION: It was moved by Driscoll, seconded by Ashe to accept staff recommendation to continue with the current Retirement Board Social Investment Policy Level I. with respect to the MacBride Principles; motion passed, 5 - 0.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported:

1. Distributed PERS report on Corporate governance.

2. Discussed the result of the November 7, 1989 election. The approved propositions which affect the Retirement System will be implemented in a timely manner. Update will be provided to the Board as they occur.

3. IFE has sent an invitation to Clare M. Murphy for a member of the Retirement Board to attend an introduction to international investment conference on February 19-24 in Hong Kong and Singapore. If there is board interest, the item will be calendared for approval at a future Board Meeting.

4. Invited Board members to attend the Retirement System staff Christmas party which will be on December 15 at 4:00 pm. More information to follow.

5. The annual George Springman Luncheon may take place on December 19, December 29 or January 5. Board members were asked to choose the date which would be most convenient for all to attend. The Board consensus was December 19, 1989.

There being no further business, the Board adjourned its meeting at 6:07 p.m.

Respectfully submitted,

Clare M. Murphy

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Christie Clark, and a tape recording was also made of the majority of the meeting by Pam Levesque.

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TUESDAY, December 12, 1989

1:30 P.M.

Present:	Bonnie K. Gibson	President
	Samuel W. Walker	Vice President
	Peter D. Ashe	Commissioner
	William Breall, M.D.	Commissioner
	Joseph D. Driscoll	Commissioner
Absent:	Harry Britt	Supervisor
	Maurice Mann	Commissioner
	Clare M. Murphy	General Manager Retirement System

MINUTES: Minutes of Regular Meeting, November 21, 1989

ACTION: Approved as Submitted

RETIREMENT BOARD

REGULAR MEETING

REGULAR CALENDAR

1. ACTUARIAL VALUATION REPORT OF SAN FRANCISCO EMPLOYEES' RETIREMENT SYSTEM ON DATA AS OF JUNE 30, 1989.

Bill Smith, Consulting Actuary from Milliman & Robertson, and Kieran Murphy, Staff Actuary , presented a written and oral report to the Board on the Actuarial valuation on data from the San Francisco Employees' Retirement System as of June 30, 1989. The Board engaged in a question and answer session with staff and Mr. Smith. The Board discussed Mayor Agnos' letter to President Bonnie Gibson concerning projected increase in police and fire staffing levels. Mr. Murphy and Mr. Smith indicated that rounding rates down in the recommendation took such possible future changes into account.

ACTION: The Action taken on item #1 is reflected in the Action on Item #2.

2. REQUEST FOR ADOPTION OF CITY AND COUNTY RATES OF CONTRIBUTION FOR FISCAL YEAR 1990-91.

Bill Smith, Consulting Actuary from Milliman & Robertson, and Kieran Murphy, Staff Actuary, presented a written and oral report to the Board on City and County Rates of Contribution for Fiscal Year 1990-91. The Board reviewed and discussed the report.

ACTION: It was moved by Driscoll, seconded by Walker to adopt the recommended rates of contribution for Fiscal Year 1990-91; motion suspended for amendment.

ACTION: It was moved by Ashe, seconded by Breall to amend the Driscoll motion by including the adoption of the Actuarial Valuation report; motion passed, 5 - 0.

ACTION: It was moved by Driscoll, seconded by Walker to adopt the Actuarial Valuation report and the recommended rates of contribution for Fiscal Year 1990-91; motion passed, 5 - 0.

3. PRELIMINARY RETIREMENT SYSTEM BUDGET REVIEW FOR FISCAL YEAR 1990-91.

Rudy Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session and reviewed and discussed the preliminary budget with staff.

ACTION: It was moved by Driscoll, seconded by Breall to adopt the preliminary Retirement System Budget for Fiscal Year 1990-91; motion passed, 5 - 0.

4. REQUEST AUTHORIZATION FOR STAFF TO ATTEND THE GOVERNMENTAL FINANCE OFFICER'S ASSOCIATION CONFERENCE ON APRIL 29, 1990 IN CINCINNATI, OHIO.

Clare M. Murphy, General Manager, presented a written and oral report to the Board on this item. The Board reviewed and discussed the staff.

ACTION: It was moved by Breall, seconded by Walker to approve the request for authorization for staff to attend the Governmental Finance Officer's Association Conference on April 29, 1990 in Cincinnati, Ohio; motion passed, 5 - 0.

5. a. REQUEST FOR THE DESTRUCTION OF RECORDS FROM THE RETIREMENT SYSTEM.

Rudy Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff.

ACTION: It was moved by Walker, seconded by Breall to approve the request to destroy records from the Retirement System; motion passed, 5-0.

b. REQUEST FOR THE DESTRUCTION OF RECORDS FROM THE PURCHASER'S OFFICE.

Rudy Hernandez, Deputy General Manager, presented a written and oral report to the Board on this item. The Board engaged in a question and answer session with staff. The Board requested staff to instruct the Purchaser to inform the Retirement System prior to the destruction of all items which are five (5 years) old or older.

ACTION: It was moved by Breall, seconded by Walker to approve the request to destroy records from the Purchaser's Office as long as they provide adequate notice to Retirement System; motion passed, 5 - 0.

6. HEARING OFFICER DECISION:

Guy A. Markell
H4 Inspector, Fire Dept.
Ordinary Disability Retirement
Effective Date: August 1, 1989 Granted

Dan Maguire, Deputy City Attorney, presented a written and oral report to the Board on this item.

ACTION: No action was taken on this item. This was an information item only.

INVESTMENT CALENDAR

4. CHIEF INVESTMENT OFFICER'S REPORT:

The Chief Investment Officer reported:

a. Proxy Votes

Shareholder Proposal	For	Against
Parker Drilling Company - 100,000 Shares Increase common stock shares of 60 million shares to 70 million shares	5	0
E.I. Du Pont De Nemours & Co - 40,900 Shares Stock split to increase shares from 300 million to 900 million.	5	0

b. Post-Earthquake Seismic Update on the Stoneson Properties.

The Board discussed the report on Stoneson properties with staff.

c. Investment Staff Meetings

The Board discussed a list of meetings held with Investment staff.

GENERAL MANAGER REPORT

Clare M. Murphy, General Manager, reported:

1. Discussed implementation of Prop H and I. Prop H requires a joint meeting between the Health Services Commission, the Civil Service Commission and the Retirement Board. The scheduled meeting is for December 29, 1989, at 1:00 p.m. Two members will be needed from the Retirement Board to be represented on the Joint Committee. Ms. Murphy will poll the Board for interest. The Board discussed one elected member and one appointed member be selected as the representatives.

ACTION: No action was taken on this item. This was an information item only.

2. Discussion of implementation of the IRS Code Section 414H2 program.

NOTE: Commissioner Gibson left the meeting at this point.

INVESTMENT CALENDAR (continued)

3. QUARTERLY REAL ESTATE PERFORMANCE REPORT.

Terry Ahern of The Townsend Group, presented a written and oral report to the Board on the Quarterly Real Estate performance. The Board engaged in a question and answer session and reviewed and discussed the quarterly real estate performance report with Mr. Ahern. In addition, Terry Ahern reported on letter of December 7, 1989 relating to the financial structure of the Stoneson Property deal. After discussion Mr. Ahern assured the Board of his recommendation for a committment of $10 million to this investment. Finally, Mr. Ahern made an oral report on purchase of 333 Bush Street, San Francisco.

ACTION: No action was taken on these items. These were information items only.

1. STAFF QUARTERLY REPORT ON THE EXTERNAL INTERNATIONAL EQUITY MANAGERS FOR THE QUARTER ENDED SEPTEMBER 30, 1989.

Carolyn Hamilton, Portfolio Manager, presented a written and oral report to the Board on the external international equity managers for the quarter ended September 30, 1989. The Board reviewed the report with staff.

ACTION: No action was taken on this item. This was an information item only.

2. STAFF QUARTERLY REPORT ON THE EXTERNAL INTERNATIONAL FIXED INCOME MANAGERS FOR THE QUARTER ENDED SEPTEMBER 30, 1989.

Mike Coleman, Security Analyst, presented a written and oral report to the Board on the External International Fixed Income Managers performance for the quarter ended September 30, 1989. The Board reviewed and discussed the report with staff.

ACTION: No action was taken on this item. This was an information item only.

CONSENT CALENDAR

The following items were presented under the Consent Calendar:

ITEM

1. a. VOLUNTARY SERVICE RETIREMENT LIST 10-89.

2. a. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Charles Harvey $1,369.18

b. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Vincent J. Justin $6,336.63

c. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Cornelius O'Leary $4,225.00

d. SETTLEMENT OF DISPUTED CLAIM - THIRD PARTY SETTLEMENT:

Robert Sudano $751.80

3. a. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Eugene Smiley $5,000.00

b. SETTLEMENT OF DISPUTED CLAIM - COMPROMISE AND RELEASE:

Orvell R. Wilson $10,000.00

3. HEARING OFFICER DECISION:

a. Peter J. Ackenheill, Jr.
H2 Firefighter
Industrial Disability Retirement
Effective Date: September 15, 1989 Granted

b. John W. Flaherty
H40 Battalion Chief, Fire Dept.
Industrial Disability Retirement/Stipulation
Effective Date: January 1, 1989 Granted

c. Ida M. Lewis
2760 Laundry Worker, DPH/LHH
Ordinary Disability Retirement
Effective Date: July 1, 1989 Granted

d. James F. Mohr
7380 Electric Transit Mechanic, MUNI
Ordinary Disability Retirement
Effective Date: May 13, 1989 Denied

e. Willie J. Osborn
2606 Sr. Food Service Worker, LHH/PH
Ordinary Disability Retirement
Effective Date: November 1, 1989 Granted

f. Ruby Penn
9163 Transit Operator - MUNI
Ordinary Disability Retirement
Effective Date: March 1, 1989 Granted

g. Willie Jean Price
7410 Automotive Service Worker - MUNI
Ordinary Disability Retirement
Effective Date: January 1, 1989 Granted

h. Earl Stewart
H10 Chief's Operator, Fire Dept.
Industrial Disability Retirement
Effective Date: November 15, 1989 Granted

i. Eva Tse
2708 Custodian, SFUSD
Ordinary Disability Retirement
Effective Date: July 1, 1989 Granted

j. Raymond E. West
Q2 - Police Officer
Industrial Disability Retirement
Effective Date: January 1, 1989 Granted

k. Tony K. Wong
9163 Transit Operator, MUNI
Ordinary Disability Retirement
Effective Date: May 1, 1989 Granted

4. REQUEST TO WITHDRAW FUNDS FROM DEFERRED COMPENSATION PLAN:

a. Arthur W. Wade

b. Deborah J. Hughes

ACTION: It was moved by Ashe, seconded by Breall to adopt the Consent Calendar; motion passed, 4 - 0.

SUPPLEMENTAL CALENDAR

Section 54954.2(b)(2) of the Government Code (Brown Act) states a Board may take action on items not appearing on the posted agenda:
(2) Upon a determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted as specified in Subdivision (a).

ACTION: It was moved by Driscoll, seconded by Ashe to hear the Supplemental Calendar; motion passed, 4 - 0.

ITEM

1. REQUEST FOR BIRTHDATE CORRECTION

Alan S. Thompson

ACTION: It was moved by Breall, seconded by Ashe to adopt the Supplemental Calendar; motion passed, 4 - 0.

GENERAL MANAGER REPORT (continued)

3. Discussion of Forward Retirement Board schedule for the first Quarter of 1990.

4. Mayor Art Agnos notified department heads that the MBO process is too cumbersome. Now there will be a quarterly review process based on budget requests. The first three issues for the Retirement System are as follows:

   1. Status of Training Program for Workers' Compensation Division.

   2. How has the addition of the City Attorney Staff reduced claims and affected the Workers' Compensation division.

   3. The status of the MIS project for the Accounting and Investment Division.

5. A reminder - next Tuesday, December 19, 1989 is the George Springman Luncheon.

BOARD MEMBERS

Peter Ashe made a report on the Institutional Investors Conference he attended last week in San Diego.

There being no further business, the Board adjourned its meeting at 5:06 p.m.

Respectfully submitted,

Clare M. Murphy
General Manager

NOTE: A transcript was made of this meeting by Court Reporter: Theresa Becker.